



Allentown

435 Hamilton Street
Allentown, Pa. 18101

Minutes - Final

City Council

Wednesday, June 8, 2022

5:45 PM

Council Chambers

Special Meeting

Roll Call

Present: 7 - Candida Affa, Cynthia Mota, Daryl Hendricks, Ed Zucal, Ce-Ce Gerlach, Joshua Siegel, and Natalie Santos

Testimony Topics: Housing, Community Center Housing/Community Center

4 PM

Just to recap a bit from the last meeting we had. Council identified several priorities or categories for community investment and took public testimony at that meeting. Those broad categories included city infrastructure, economic opportunities, a multi-purpose community center, homelessness, public safety, housing and non-emergency public safety issues. And just to be sure, we are looking at the 18 million in funds as noted in a memo from the Mayor. The intent will be to assign dollar values to council's priorities which would provide a framework for disbursement of funds.

Tonight, our intent is to look at housing and a community center. The purpose of the meeting is to take testimony. The speakers are requested to speak to community needs using evidence and data; and policies to deal with those needs. This is not an opportunity to request funding, nor is it an opportunity to allow council to give a shout out for particular items they prefer or a way to walk back from any procedure in the future. This is simply an attempt to understand needs out there based on evidence and model policy options

Our agreed upon goal has been to create a more holistic framework for making decisions related to using ARPA funds within the context of innumerable city needs. This is a one shot deal; there is little limit to the usage of the funds; we want to maximize the benefits and make sure we act within a monetary, ability and capacity framework to exert a significant impact going forward.

We will begin with testimony for the following individuals on community needs, capacity and model programs. Time allotting, Councilpersons will be allotted time to ask one question only relating to the goals of the meeting. Additional questions can be put in writing, and we will get the answers and post them on the agenda.

Alan Jennings
Dawn Godshall/Dan Bosket
Brian McShane
Phyllis Chamberlain

Suggested: 15 minute presentation/questions

Alan Jennings
Dawn Godshall/Dan Bosket
Brian McShane
Phyllis Chamberlain

Ms. Cynthia Mota welcomed everyone to City Council and the Special Meeting. She summarized on the last meeting that they had by identifying several priorities or categories for community investment and took public testimony at the meeting. The broad categories included city infrastructure, economic opportunities, a multi-purpose community center, homelessness, public safety, housing and nonemergency public safety issues. They are looking at \$18 million in funds as noted in a memo from the mayor. The intent would be to assign dollar values to Council priorities which will provide a framework for the disbursement. The intent will be to look at housing and a Community Center. The purpose of this meeting will take testimony. The speakers are requested to speak to the community needs using evidence and data and policies to deal with those needs. This is not an opportunity to request funding nor it is an opportunity to allow Council to give a shoutout for particular items they prefer or are a way to walk back from in any procedure in the future. This is simple and an attempt to understand the needs out there based on evidence and model policy options. She stated that their agreed upon goal has been to create a more holistic framework for making decisions related to using the ARPA funds with the context of innumerable city needs. This is a one shot deal. In other words, this will be a one-time deal. There is a little limit for the usage of the funds. We want to maximize the benefits and make sure we act within the monetary ability and capacity framework to assert a significant impact going forward. They will begin with testimony for the following individuals on community needs, capacity and model programs. Time allotting, a councilperson will be given the time to ask one question only relating to the goals of the meeting. Additional questions can be put in writing. They will get the answers and post them on the agenda. At this time, we would like to allocate 15 minutes to each person.

Mr. Alan Jennings stated that he is in the highlands of a volcano in Panama. He stated that he appreciates the opportunity and thanked Council for letting him be a part of this event. He stated that they all know

him. He lives at 2128 Pennsylvania Street in Allentown. He has lived in the city since 1980. His kids all went to Allentown Schools including Allen High School. He stated that he wanted to be clear on Allentown's housing stock is the biggest problem Allentown city government can and should try to tackle. Second, homelessness is a function and a consequence of a robust economy. The communities that have the worst housing problems are not the depressed communities, there are communities that have hyperactive marketplaces. Denver, Washington, LA, San Francisco, and Portland. It is a result of people when there is a robust economy housing prices always rise. Real Estate prices always rise because developing new housing takes time to do that. It is always a matter of the supply trying to catch up to demand. As prices go up, poor people generally don't get the kind of raises that they need. Whether it is from government assistance or their jobs. The ability of low income people to keep up with the marketplace is just a pipedream. We can't pretend that it is somehow the problem is going to solve itself. Third, we are not going to solve the homelessness problem. We cannot force people to get services. We cannot force people to go into a shelter. There used to be a time when people were in these types of situations would go into a state hospital or some kind of a system program. We can't make people do that. We can't just give people a place to go. It is not the way to solve the problem. As stewards of taxpayer money, we have to use our resources to help those who want to help themselves. We cannot help people that don't want to help themselves. Our shelters for single people must move people along. It is not responsible use of money to say sure, you can come in tonight, tomorrow night or whatever condition you are in or whatever issues you have and not deal with them, ignore them. That is not responsible stewardship and behavioral health. Drug and alcohol addiction and mental illness are huge problems and both hospitals have acknowledged that and yet there is not a lot being done by any of those hospitals or anybody else for that matter to deal with these issues. He stated that they all know what types of services that are needed. He stated that they can't make people deal with their issues. If we don't, we kick them out of the shelter. We can put more resources into new shelters, the services that people need, but we can't resolve the problems of homelessness. Think about community development implications on the programs that we do provide. He stated that he does not think it is a good idea to put a homeless shelter in the middle of a neighborhood of any kind that is going to diminish the quality of life of those people and probably want them to move out of the neighborhood. It is important when they do expand the shelter services for people that we do it in a way that there is a community development issue, not just a human services problem. The condition of the city's housing stock is an embarrassment to all of us who cares about this city and work so hard to make it better. Too much of the housing stock is obsolete. We have rows of houses that don't have fire walls between them. Those

houses are dangerous, a public health threat in that kind of housing condition. Nobody wants to live next to somebody who is willing to live in that housing. These houses are so bad, so rundown that no one wants to live there, except somebody that nobody don't want to live next to. That is not a commentary on race, on class, it is a commentary on irresponsible behavior. Nobody wants to live next to somebody that is revving up dirt bikes, putting trash out on the wrong night, letting their kids run around uncared for late at night, making loud music, selling drugs out their backdoor. He stated that his friends on the left needs to understand how a market economy works. We talk about gentrification. We don't have gentrification. We have landlords praying on the housing stock and the people that desperately need that housing. Gentrification is good if it means that people with money move into the neighborhood. You can't have a functioning community without a functioning marketplace. You can't have a functioning marketplace if everybody is poor. We need to attract people with resource who wants to live in the city and wants to own their own home and can afford their own home, including getting a mortgage. We want them back in our community. A critical thing you need to understand too is that New York and New Jersey affordable housing program is called Pennsylvania. As long as it is a massive differential on the housing cost between the people on the other side of the Delaware River and our side of the Delaware River, we are going to have an affordable housing problem. We can't build a wall between New Jersey and Pennsylvania. That problem is driving up housing costs. It has been for decades now.

Recommendations: the city needs to fund an aggressive effort to create a hostile environment for irresponsible people. He can guarantee that everyone in this city he does not care their color, their age, their ethnicity, their class background, people want to have a quiet decent place to live. They want a neighborhood that is conducive to their kids being raised in a safe environment. It is only the wealthy liberals that don't have to do deal with these issues that will get in the way of that. Regular people want a community, a neighborhood that has a quality of life that they can live in. They had a program and that was done through voter referendum years ago. His friend, the former Mayor Ed Pawlowski did not use the resources that came out of that program to fund the program as it should have. We need to reestablish with all the aggressiveness that we can the Apartment Inspection Program. We need to sanction landlords when they are irresponsible with their properties. We need to get the police to use the Disruptive Conduct Provision to remove people that are causing problems in the neighborhood. Whether it is in the Muhlenberg College Neighborhood or it is in downtown. We need to create a homeownership zone that surrounds the Central Business District. The housing stock is in bad shape, but their are people that want to live in that neighborhood, but they want to live in a decent home. His proposal is that they have an effort to reach out to people that live in two or three unit homes, many were

formally single family occupied owner occupied and facilitate their buying of properties so they can become owner occupants. First of all, they want to live there because they are. They are capable of buying a home and we can put together and we have a bank that he can guarantee that he can get more that are willing to do this financing, but we need to incentivize it as much as we can. Provide funding for a facade improvement to incentivize somebody and give them instant equity in their property. That is a creative approach that would increase the rate of homeownership in downtown. We have to invest in housing rehab. We have to invest a lot in housing rehab and use it to incentivize buy in. When renters become homebuyers they then can use the tenants in the building to help them with the cost of paying their mortgage. The problem is that we are not going to have enough money. Even the \$18 million if we took all it and put it into housing rehab, we are not going to solve the problem. We can make a major dent and he can argue that a nickel of the money should go into housing rehab along with a youth center. It is critically important that we also take down the homes that are in such bad disrepair. Some of the half streets and the corner streets, the housing is so obsolete its got to be taken down. In doing so we will de-densify the neighborhood and create more spaces with things like parking, off street parking, and open spaces. In Philadelphia, they often give a lot next to another homeowner that lot in exchange for that homeowner agreeing to maintain the lot, taking good care of it and helping to improve the quality of life in the neighborhood. Finally, they need to have an aggressive approach to the whole problem. It would make a lot of sense for the Community Development Department to have a full-time advocate and organizer working on housing issues. Monitoring property transactions for example. He stated that they discovered a conspiracy to commit fraud in the real estate market in downtown Allentown that ripped off over 200 mostly Latino families a while back. The reason they could do that is because there was a city staff, Nick Butterfield whose job was to bird dog all the transactions. In doing that, we could identify who are the problem owners were and go after them and be more aggressive and make things more difficult for them to profit for their poor landlord behavior. They also need to work with the District Magistrates because some of them are not understanding the importance of evicting irresponsible people or making sure that landlords are responsible landlords. We also need that person to push for public policy changes at the state and federal level, including more funding. On that issue, we cannot get enough money to solve this problem. We need to find more resources to do better. The NIZ is a tax increment financing district. It was designed to put money into the system and generate new tax revenue for the city. It has gotten to the point that it has paid its obligations to the state and has expanded the city's tax base. He would argue that a portion of that expanded tax base should come off the top and go straight into housing resources to address the issues that he is talking

about today. If you \$5 million in new taxes, take a million right off the top and put it into housing and maintain that commitment as long as you possibly can. We are all in this together and he thinks people forget that. It is a nasty world that we live in these days. Too many people forget that this is a small world and we need each other. We are all in this together. Inaction will kill the central business district. Inaction will attract more bad asses to the city. Inaction will reduce property values. Inaction will chose the schools of resources. Inaction will load up the jail. Inaction will chase still more people out of the city. Inaction will destroy our city.

Ms. Cynthia Mota thanked Mr. Jennings and asked if there were any questions from the dais.

Ms. Candida Affa stated that it is interesting the part about ANIZDA. She never thought about we should be possibly be getting some money from them. That never entered her mind. Do they have so many years that they pay back so much. Are you saying there is money to help us?

Mr. Alan Jennings stated that when he heard about the NIZ, he called the mayor at the time and said mayor, put me on that board. We got to find a way to make sure those resources get shared throughout the city and they walk across the street and read about the rest of the neighborhood and not just the central business district. They put me on there and he tried this and tried that and he got so frustrated that he could not take it anymore and bailed out. He kept looking for ways to skim funding from the NIZ. The way to do it is to take advantage of the added revenue that is the city's. It is not NIZ money anymore. It is city revenue that the city has the right to spend whatever way it chooses and it needs to choose housing rehab as the primary objective of the use of that money. He stated that he understands that we have to pay the bills and we have to pay our workers. We got to commit ourselves to sustained ongoing funding to address this issue otherwise we are going to remain in the trouble we are in now and he will argue, it will get much worse.

Ms. Candida Affa stated that she knows the legislation in the beginning was to develop businesses. ANIZDA was created for that reason. She was not aware that once it is paid that we could take some money from that.

Mr. Alan Jennings stated absolutely.

Mr. Ed Zucal thanked Mr. Jennings for an outstanding presentation. He stated that \$18 million wouldn't even put a dent in it nor would \$118 million. Let's say for an example we give \$4 million for housing. There is absolutely no way we can guarantee a program to continue with the funding at that runs out, correct.

Mr. Alan Jennings stated that you never know what we will do politically. Who thought we would elect Donald Trump. Maybe we will get lucky and get someone that will recognize the importance of housing. This is a problem that is confronting higher and higher people every day and those are the people that are most likely to vote. There is an opportunity out there to educate people and move on it. He stated that he does think Mr. Zucal is right. The problem is bigger than the resources we have available. Having said that his suggestion is if you go over and look at the 200 Block of 10th and 11th Streets, the organization in which he used to work rehabbed almost every property on those two blocks with the intent being to attract more investment between those blocks and the NIZ. As a starting point for redeveloping that corridor around the Central Business District. In so doing, attract people that are willing to pay the price of a home in Allentown. Maintain the home. Send their kids to our schools and elevate the city for everybody.

Ms. CeCe Gerlach asked for a point of clarification stating that it is one question for a Councilperson per speaker and not the entire meeting.

Mr. Michael Hanlon stated correct.

Ms. Dawn Godshall thanked Council for inviting her here today to talk about youth centers. The package that she has given all of them is in a particular order. First, is her business card because Council called Dan Bosket to see if she would come up to speak. They did a cost analysis of other recreation and youth centers that are older and newer to give Council an idea of the cost of youth centers. All of these costs includes prevailing wages. They looked at a sports center in Horsham, PA that was build in 2007. It was 60,000 square feet, with two offices, a snack stand, men and women's bathroom, four basketball courts, two turf fields and minimum stands and the total cost of that was \$7.2 million. A community center in Virginia in 2018 which was 82,000 square feet. You can see the amenities in that: bathrooms, turf fields, basketball courts, snack stands, music rooms, community rooms. The total cost of that one was approximately \$24.6 million. Lehigh Carbon Community College Rec Center, she is not sure when it was built, but it has been in the past five to six years. It is 54,000 square feet. The office area, rec area, fitness rooms was a little bit over \$4 million at \$82 per square foot. It is kind of a bare bones design. Not such fit out. Mostly a gym and a cardio area. Valley Wellness Aquatics Center is 54,000 square feet and the total cost is about \$12.4 million. It has many similarities to the facilities that we are proposing in size and fit out, but it has a pool. On the back of the form, this is CACLV proposed youth center. She has been here before Council before to talk about the various amenities that we want to put in our youth center. The

bottom-line by most calculations these amenities brings us to between 45,000 - 55,000 square feet and at an average about \$200 per square foot at 55,000 square feet adding in about a 10 percent contingency. It brings our total cost to a little bit over \$12 million. The mayor talked about two other things in the area that needed funding that he said was shovel ready. She stated that they are not shovel ready for lack of trying. They have been trying to acquire Cleveland School or McKinley School. She stated that they waited very patiently for the school district to do a feasibility study which has been completed for several months now. They just went to a board meeting a couple of weeks ago in which they had engineers present that the fact that both schools are uninhabitable. She stated that they don't want the schools, the buildings, they want the land. With the knowledge that they are uninhabitable initially they were going to try to keep one of the spaces to rebuild if they needed another facility down the road for another another school, but they determined that it is not possible. The buildings are both uninhabitable, but because of McKinley has a sinkhole underneath which they requested to have one of the engineers go and look at the property. A sinkhole doesn't necessarily make a property not useable. You just have to build it contingencies to deal with that. They so far have declined the request to have our engineer to just go look at it. They are not looking to touch anything or do anything. They just want to build a cost in should they look at the McKinley School. She stated that Council has seen the sheet many times before. That is just in there so that they will just been reminded of the things that we want in our particular youth center, sports facilities for soccer and football, for basketball and volleyball, classrooms for homework mentoring. They plan on doing a very strict if you don't have your homework done, you cannot use the facilities. She stated that they will be in close contact with the school district to find out how do we find out from teachers and how do we keep in touch with what homework was given on that particular night to try to build that in. They would also like to make sure that every child who uses our facility before they can use it, they have to sign up for a one hour anti-bullying course so that everyone coming into the building knows that there is a particular behavior that is expected of them. They want a recording studio for students to create and record their own music. Trade Workshops to introduce them to a variety of vocational trades, theatre space, studio space for dance. That includes many genres. Ballet, jazz, hip-hop, a technology space for video and multi-media projects, a student lounge with games and snacks, and a community space for satellite offices for other nonprofits and agencies who would like to utilize the space. The next sheet that you will see in your packet are current spaces in or near the Community Action Development Corporation of Allentown Neighborhood Partnership Program target area. These are the things that children and youth are able to utilize in the city of Allentown. The ones in red are places we are already working with. They get \$650,000 a year as part of the MPP Neighborhood Partnership Program to be able to

spend on projects for youth. Right now, because they don't have a building. They are renting building. They are parsing out our funding to be able to do our projects, but we have to use other spaces. This is one of the reasons they would like to have it all in one place where youth in the city of Allentown are able to come to a one stop shop where they can have fun, do their homework, and be safe. She stated that a Youth Center saved her life. She was an orphan by the time she was 12 years old and just bounces around to many, many, many foster homes. It was a local youth center that allow her to do her homework, play basketball, and do archery. She was safe, she had fun and it change the trajectory of her life. It is important that they understand that as all of these parents are coming into City Council and going to the Allentown School Board meetings. We are trying to get across that many of them have to work two or three full-time jobs in order to make ends meet in order to meet the rents that are out of control in our city. In doing so, who is home with the kids. That is not always a good choice. Kids are doing whatever want. Most kids get in trouble between the hours of 3:00 and 6:00 PM. A youth center allows them to have a place to go and to be safe. She stated that these are the places that are available right now. She had the mayor call her at least two to three times saying do you really need a youth center. She stated that her answer to him has remained the same, yes, we do. He talked about there is a pool at the Boys and Girls Club. There is not much else. They don't have the things that we are proposing in a one big state of the art facility that she thinks kids would be excited to come forth for years to come. They have had these proposals for a year and a half. As part of CACLVs procurement policy, we got at least three proposals. One from MKSD, another from Breland & Farmer (sp) and the last from Spillman Farmer Architects. MKSD for instance where involved in ArtsQuest and the Da Vinci Center. They put together proposals for us on what their thoughts were about a youth center in the city. They are a little bit different. They are all very valuable in expressing what they plan if we choose them. MKSD is a Woman Owned Business. They have all put together some nice proposals that do not take that long to read. He started reading them to remind herself last night of what they were all about. She stated that it took her a half an hour to read through one of them. She encouraged them to look through them. They are very important than just giving the hope and idea of what we are proposing for the future of Allentown. Kids absolutely need this. It saved her life and she is looking forward to saving the lives of many youth who needs a safe place to go after hours and after school.

Ms. Cynthia Mota asked if there were any questions from the dais.

Mr. Ed Zucal asked Ms. Godshall asked once the money is given to you, part of ARPA's requirements that you are able to fund it after it runs out. What is your answer in order to do that?

Ms. Dawn Godshall stated that we have several investors that already promised a million dollars into this project. They have a fundraiser for a youth center. Most capital campaigns require that you at least have 50 percent of the funds before you then involve others. We will be ready when that happens. She stated that she knows that it is not about money. They will be looking to go to City Council for that.

Ms. Ce Ce Gerlach stated that she appreciates her sharing your experience with a youth center saving your life. She went to the Boys and Girls Club as a kid and had that same experience. She also knows that not every youth center is as awesome as the Boys and Girls Club she went to. She is not saying the Boys and Girls Club here is or isn't. Just knowing that they are all different on what they can offer. The Boys and Girls Club she went to which is not in Allentown. It was in Maryland. It was like the youth center she spoke of that had a wood shop and everything. Some people suggested that we divvy out the money amongst multiple youth centers. The Boys and Girls Club, the Eastside Youth Center, even though you have to pay to get in there. Also, the Salvation Army versus investing money in one youth center. How would you respond to that? Why do you feel that it is more value investing in one versus spreading it out to multiple.

Ms. Dawn Godshall stated that what we are proposing is an amazing place that kids will have more options to go and do lots of different things. They can become entrepreneurs, and create a make music. It is not just sports. A lot of youth centers are places to play basketball. Why that is important, it helps you get stuff out of your system. We are proposes helping kids to have careers and have hope and an exciting feeling on what the rest of their lives can look like. You can go to school and get all the classes that you can possibly find to fill your head and benefits you. She stated that she did well in school and loved school. She stated everyone is not like her. When you are teaching kids how to do things. How to create, how to use their art sell later in life to benefit them and make them more well-rounded people. There are not any facilities right now in the city of Allentown that are giving them all of that in addition to making sure they understand the importance of education. Education is the way out of poverty. When you educate children you are helping them get out of their circumstances and helping them to dream and to grow. That is what makes us different.

Ms. Ce Ce Gerlach thanked Ms. Godshall and asked for a copy of the packet.

Ms. Cynthia Mota stated that they will save it for her.

Mr. Daryl Hendricks asked if Council would decide to go with this and will

allow her to be certainly a part of it. Staffing and maintaining it in the future. Is it something that she will be able to do with your committee?

Ms. Dawn Godshall stated absolutely. They are building another \$350,000 a year for staffing and operational costs.

Mr. Daryl Hendricks stated that he likes the idea of all the components that are in this. He stated that to him that is more important than a basketball court or just sports. He stated that she hit the nail on the head about education. There is nothing more important to our youth than to get them out of poverty on a trek of a functioning and successful career in life.

Ms. Candida Affa stated that Ms. Godshall basically answered the question that Mr. Hendricks asked. She stated that her question is that she assumes that part of the staff if monitoring all these children to keep them safe. She is more concerned about the staff and the monitoring. How much monitoring do you have to keep an eye on the children. She stated that her explanation about homework. There is a lounge there with games and snacks. She thinks it is a wonderful thing. She is just wondering how it is monitored and keep the children safe in one facility. It is hard with the other ones that we have. Children like to go where kids are. If you have this center, this is where they want to be.

Ms. Dawn Godshall stated that everyone in the building would have to have their clearances (child abuse and fingerprint). In addition to that, the sheet that you see where they have current spaces for the NPP target area. The programming that they are doing right now have these individuals in place and are offering this programming to the youth in our area right now. We are just renting spaces to do it. Those people that are doing it right now are also are interested. They would be in charge of their programs. They would be structured so that children will have to sign up to be in certain programs. You can only have so much adult to children at a time. She stated that they will rotate that. If they are going to be meeting on Monday, Wednesday and Friday, they will sign up and when it is filled they will have to wait for the next spot. They would want everyone to utilize the different programming that is going on in the building. The idea is to find out what interests the kids. When they get closer to this, they will put out a brochure that would go home to parents. Parents actually would have to come to the center and sign these children up for these activities. We want them to know what the kids are doing. We want to build into this that was an afterthought that she heard from many parents. Parents would love to while they are waiting for their kids to take an English as a second language class, a budgeting class. We want them to be comfortable while they are waiting for the youth as well.

Ms. Candida Affa stated that there are paid staff, but also volunteers.

Ms. Dawn Godshall stated absolutely. Everyone whether volunteer or paid have to have clearances.

Mr. Brian McShane, Corporation for Supportive Housing, thanked Council especially Ms. Gerlach for the invitation to testify, and Michael for shepherding him through the process and a special thank you to Sister Mary Scalia Prestone for recommending them for this opportunity. He stated that they are a national nonprofit that offers capital expertise information and innovation that allows our partners to use supportive housing to achieve stability, strength, and success for the most vulnerable members of society. We are typically talking about folks that are experiencing homelessness, but we are also talking about populations that are going to feed into homelessness systems, individuals are turning from incarceration, individuals that are involved in the child welfare system, older adults, young adults maybe aging out of Foster Care and other folks that are impacted by systems across the community. They do this through four lines of business. They do training and education at a systems level, but also at an agency level, policy reform, consulting and technical assistance, they are a CFI lender, focus primarily on predevelopment lending solely for supportive housing and projects. They have been a national champion for supportive housing for over 30 years, demonstrating the potential to improve lives of individuals. They helped create more than 385,000 homes for people in desperate need of them. CSH is funding expertise and advocacy has provided over \$1 billion in direct loans and grants for supportive housing across the country. He stated that he has been doing it for 30 years. It is a national nonprofit. They also organized their work locally. He is part of the team called the metro team. They focus their work in New York, New Jersey, and Pennsylvania. He stated that he is based out of Philadelphia. He is the teams lead for Pennsylvania and New Jersey for the work that they are doing. He wants to give an overview of what he talking about on Supportive Housing. Basically, they are talking about affordable housing with supportive providers that are actively engaging tenants in flexible, voluntary and comprehensive services and work with property and housing management that supports stability and ensure that housing remains a positive community asset for the long-term. One of the things that they tend to say is that Supportive Housing is for individuals that if they did not have the intensive support that they need, might not be able to sustain their housing and if they did not have the affordable housing they need it might not connect to the support that they need.

It is an innovating and proven solution for some of the communities' toughest problems. Supporting housing is the scaffolding for delivery of a more effective and responsive public service. It strengthens communities

instead of relying on institutions and crisis response. When you think about funding Supportive Housing, it usually falls into two general buckets: Housing related cost. The capital to develop housing, the operating sources to maintain it as affordable housing, and supportive services. He went over a quick overview of the different provisions that has the potential to strengthen and fund supportive housing across Pennsylvania and also in Allentown. The HOME ARP funds are probably the funds that are most closely associated with, especially anything related to alleviating homelessness. That is also the program within ARP that they are mostly excited about in terms of its impact and ability to strengthen development supportive housing. Some of the uses, include developing the units, housing navigation services, support services, acquisition, conversion to Permanent Supportive Housing. It is acquiring and converting units to Permanent Supportive Housing that already exists. Tenant based rental assistance. Data and evaluation infrastructure and tenants' rights infrastructure. The emergency housing vouchers have the potential to do many of these things as well. There is also an added utilization for security deposits and utilities assistance that could help. They are seeing a lot of communities gravitate towards recently about using Emergency Housing Vouchers to promote moving on initiatives which are structured to help move individuals that no longer need intensive support out of existing Supportive Housing beds and create flow for those waiting for those supportive housing beds that already exists in the community. The state, local, and fiscal recovery funds and the Coronavirus Capital Projects offer more of the same opportunities that we actually talked about. We see that a lot of the funding are built to play nice together and can be braided together for specific opportunities. They can also be used to create flexible subsidy pools and capitalize operating reserves. The second bucket of the actual services that goes along with supportive housing. They see a couple different provisions here including increase percentages for federally reimbursement for Medicare Home and Community based services program. Housing support permissible with funds for the health resources services administration. SAMSER Funding for behavior and housing support services and the CDC public health workforce funds that can strengthen and supports infrastructure. One of the things that they are excited here is the ability to create a means to employ those with lived experience, expertise to provide peer support for health-related needs. That was broader applicability throughout the country and what these funds can be used for in relations to supportive housing. They have not done analysis at a hyperlocal level, but at the state level he showed a slide for their reference to track all the different federal funding that they are seeing a historic investment in housing that they think can be leverage against one another to really increase impact and address homelessness and systems that feed into it. They go back to the funding that they received through the CARES Act. They are looking at the American Rescue Place Act as well

as the FY21 federal budget as potential ways of just mapping this out and layering on the different federal sources of funding and layering on the different federal sources of funding. They continue to map out where the allowed uses in housing. It is similar to the slide previously. They want to map it out as well. They really show the potential where multiple sources could be layered for the same purpose and get more bang for your buck at the local level. That is the same with services. One of the things that they want to point out to folks especially how to braid the housing funding through HUD with some of the mental health, behavioral health and substance abuse funding that is coming through. Every community that we work in was already reeling from the opioid epidemic as an example. He has not yet met a community that has done better over the course of the pandemic. It exacerbated that challenge like it did with a number of other things. It is one good example of seeing where there is funding at a time to build an infrastructure to bridge services that might be sustained in the future and really think about targeting subpopulations and really addressing specific issues with this opportunity. One thing they want to emphasize is to be mindful of the different timeframes associated with all these different funding sources so that there could be a mindfulness when some funds need to be obligated by or expended by especially when there are considerations around leveraging and layering these funds. He talked about two programs within ARPA. He is aware that there is already proposed plans for state, local and fiscal recovery funds. He does think potentially within the infrastructure plans and public health infrastructure, there could be some room for some of the uses as it applies to Supportive Housing. They talk about plan and redevelopment. SLFRF can pay up to the total cost of Supportive Housing project design and administration. That means planning supportive housing involving tenants in the planning process, housing unit locations, physical design coordination, building project partners and building community support, and other aspects of the predevelopment process. One option you are seeing is being more and more popular as communities consider how to use SLFRF and HOME funds, especially is capitalizing an operating reserve which can help sustain the affordability of projects long-term. Capital expenditure is where a software can pay up to a total capital cost of developing new supportive housing or converting existing housing to supportive housing and then the support services SLFRF for supportive services and technology that facilitates the delivery of supportive services. Sometimes it is used to pay for some of the unreimbursed services, especially for providers that were just getting things done during the pandemic and was as worried about their bottom-line. He emphasized the programs like this within ARP that are really designed to play well with others. The Treasury deemed projects eligible for funding under the National Housing Trust Fund or the HOME Investment partnership HOME to be eligible for SLFRF. What they are seeing is eligibility/flexibility and the possibility for some of these funds to

go to projects that might be able to serve folks that aren't meeting a chronic homeless definition or definitions that HUD has previously tied to funding. It is an opportunity to serve some underserved populations. When we look at HOME ARP, it is where we are most excited for the potential to address homelessness and supportive housing needs in communities. We see the potential to supplement nine percent LIHTC projects and finance more applicants during the current cycle. Financing projects that did not receive awards during the previous cycles and pair them with SLFRF again to finance acquisition and construction, pair with four percent LIHTC and tax-exempt bonds for the cost of construction for permanent financing. Really filling some of that gap with financing that makes the four percent not competitive, buy down the debt on existing, affordable housing units to reduce the projects overall costs and convert a portion of those units with that savings to supportive housing. This idea of capitalizing and operating reserve that will allow for future drawdown on operating funds like a voucher of subsidy that keeps the unit affordable. For support services, the homes have the potential to go from childcare to outpatient health to what we tend to think about case management and housing related services. There is a time limit. There is a real argument that time limits for considering the support services aspect of home as a way to try to build capacity for something that you plan to sustain in the future. One example is communities that we considering expanding the HOME and Community Based Services under Medicaid. There is some capacity building that we need to do. It might be training for helping your providers learn how to build to that service. It might just be bringing up the team until they are fully billable. Those kinds of things you can help build the early infrastructure for something you intend to sustain. They are encouraging folks to think of in terms of priorities and opportunities. He doubts that it alluded anyone in this room for the historic housing funding opportunity in our communities and in our country. It is offering a generational opportunity to try to address problems around housing insecurity. They are seeing many of the provisions as a tremendous opportunity to respond to the challenges of homelessness. While this can be done by a focusing on those who experience homelessness or housing insecurity. They see an opportunity to invest in systemic responses to challenges that contributes to homeless. These funds are honestly not sufficient to end homelessness in any community as we know it. However, CSH is encouraging folks to consider identifying priorities that can be addresses significantly with this funding opportunity. You might not eat the whole pie, but you might take a huge chunk out of it if you really focus on targeted population. The one we are thinking about the best way to do this is really considering joint priorities across systems. The one example that he listed are those suffering from opioid addiction, behavior health, child welfare, older adults. All these systems have an affordable housing problem. By partnering with them and leveraging resources that these systems are also experiencing and saying

there is a significant impact in saying that we had them on a subpopulation of the homeless. CHS will also stress the importance of considering the impact that housing programs have to address the needs of individuals and communities of color who has historically been disproportionately impacted by these systems that are talked about today and have borne disproportionate consequences throughout the pandemic. Not all supportive housing programs are created equal. Our motto, our industry when not being mindful of this has been guilty of exacerbating some of the problems they would like to solve. They need to be mindful of the potential of the impact here. CSH's encouraging what they are doing here today. He knows a certain amount of hearings are mandatory, but as much as possible community participation and feedback in the decision-making with something with this magnitude they are highly encouraging. He thanked them for the opportunity and would be happy to field any questions. He believes they should be getting the slides. He stated that he also sent one pagers they did specifically they did on HOME ARP and state, local, fiscal recovery funds (SLFRF).

Ms. Cynthia Mota thanked Mr. McShane for his presentation and asked if there were any questions from the dais.

Mr. Ed Zucal asked if CSH is a business.

Mr. Brian McShane stated that it is a nonprofit organization dedicated to supportive housing.

Mr. Ed Zucal asked if he used the ARPA Funds that are given to you by local municipalities to use your program, correct.

Mr. Brian McShane stated no, they have not received any ARPA Funds.

Mr. Ed Zucal stated ARPA Funds from municipalities toward the housing. That is what you used to help.

Mr. Brian McShane stated that CSH is an intermediary. They don't actually provide any housing. They provide technical assistance.

Mr. Ed Zucal stated that is what he meant.

Mr. Brian McShane stated that there is a possibility that some communities may determine that they need training that they offer. The reason that they created the materials is just the vested interested in seeing the stock of supportive housing increase. Whether they are involved in the process or not, they will be happy to help, but that is not really what they are after here. If they look at the graph with the investment in housing since the 1980s, it is on a steep decline steadily. They are seeing a blimp in the opposite

direction for the first time and just really want to highlight the potential for that to happen. They will be happy to continue the conversation about specifics, but primarily they want to advocate for more supportive housing whether CSH has anything to do with it or not.

Ms. Cynthia Mota asked if there were any other questions from the dais and thanked Mr. McShane.

Ms. Ce Ce Gerlach stated that a lot of folks in Allentown continuously advocate and she is one of them for a year-round homeless shelter. She stated that Allentown does not have one and is the third largest city in the state of Pennsylvania. She has seen a lot of other cities when they do these investments in supportive housing and they really target subgroups they already kind of have somewhat of an infrastructure that comes from homeless services. They don't have a place for tonight if someone is homeless. The city does not have a place for them to go 100 percent of the time. She would be interested to hear his thoughts on that statement.

Mr. Brian McShane stated that supportive housing isn't the only housing model within a continuum of housing that needs to be part of a community solution to end homelessness. It is a really good point. You can't supportive housing your way out of homelessness. Neither can you shelter your way out of homelessness. Transitional housing, rapid rehousing are all parts of the response to the homeless community faces. There are aspects of ARP that can certainly support what you may need in terms of temporary shelter. They would recommend part of that consideration is your backdoor. Giving someone that sort of emergency crisis shelter bed is very necessary. Most homelessness can be resolved within the first 90 days experienced. However, for folks that have experienced challenges like behavioral health, developmental disabilities, older adults with extreme medical problems and many others. They may not be able to leave the shelter unless there is an affordable and supportive way for them to do so. What they have seen some folks considering is a mixed-use building where some of it is shelter and some of it is a way for folks to transition for temporary crisis beds, but they are certainly ways that you can kind of consider some of the HOME funds and ARP funding to look into your needs in that regards.

Ms. Cynthia Mota thanked Mr. McShane.

[15-5138](#)

Housing Material

Attachments: [AJ - AH](#)[CSH - SLFRF Information - April 2022 - FINAL](#)[CSH Testimony - ARP Funds for SH - PA](#)[CSH-Leveraging-HOME-ARP-for-Innovations-in-Supportive-Housing-October-2021 \(2\)](#)**15-5123****Homeless Material****Attachments:** [NYT - How Houston Moved 25,000 People from the Streets Into Homes](#)[Allentown Homelessness Strategy FINAL](#)[Homeless Commission - March 18th Presentation - FINAL FINAL pdf](#)[Governance matters Managing environmental and socioeconomic factors to improve health outcomes \(002\)](#)**15-5084****Coronavirus State and Local Fiscal Recovery Stuff****Attachments:** [ARPA uses from Admin](#)[Memo from Mayor Matt Tuerk regarding Coronavirus State and Local Fiscal Recovery Funds](#)[Draft: SLFRF Policies and Procedures](#)[Ordinance #15764](#)**15-5085****ARPA City Samples****Attachments:** [Atlanta mayor announces American Rescue Plan recovery funds](#)[Buffalo New York - American Rescue Plan](#)[Charlotte, North Carolina State and Local Fiscal Recovery Funds - 2021 Report](#)[City of Houston American Rescue Plan Act](#)[Detroit, Michigan - American Rescue Plan Act Funds](#)[Kansas City Missouri - American Rescue Plan](#)[Mayor Baraka Outlines 5-Year Plan To Stimulate Newark's](#)[Post-Pandemic Economic Recovery – CBS New York](#)[NEWARK RECEIVES \\$88.3 MILLION IN AMERICAN RESCUE PLAN MONIES](#)[Pittsburgh, PA - American Rescue Plan](#)[Seattle - American Rescue Plan](#)[St. Louis, Missouri - American Resuce Plan](#)[Syracuse New York - American Rescue Plan](#)**ADJOURN**