

ORDINANCE NO.

FILE OF CITY COUNCIL

BILL NO. 17 - 2023

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MARCH 15, 2023

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AN ORDINANCE

Amending the 2023 ARPA Fund by transferring One Million (\$1,000,000) Dollars from the ARPA Fund to the General Fund for the 1528 West Hamilton St. Affordable Housing Project being developed by HDC-Mid Atlantic. 100% of the funds will be used to offset construction costs of the project.

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

SECTION ONE: That City Council authorizes an appropriation in the ARPA Fund in the following manner:

**ARPA Fund  
Non-Departmental**

<b>019-01-0609-0001-40</b>	<b>Civic Expenses</b>	<b>\$1,000,000</b>
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**TO**

<b>019-01-0609-0001-88</b>	<b>Interfund Transfers</b>	<b>\$1,000,000</b>
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SECTION TWO: That City Council authorizes an increase to the unappropriated balance of the General Fund in the following manner:

**General Fund**

<b>000-2660</b>	<b>Transfers In</b>	<b>\$1,000,000</b>
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SECTION THREE: That City Council authorizes an appropriation from the unappropriated balance of the General Fund in the following manner:

**General Fund  
Community Development Director  
Administration**

<b>000-09-0901-0001-40</b>	<b>Civic Expenses</b>	<b>\$1,000,000</b>
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SECTION FOUR: That this Ordinance takes effect ten (10) days after final passage.

SECTION FIVE: That all Ordinances inconsistent with the above provisions are repealed to the extent of their inconsistency.

SECTION SIX: That the Mayor and/or his designees are authorized to enter into any necessary agreements to distribute the funding to the project and protect the City's interests.

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

Community and Economic Development

- **Summary and Facts of the Bill**

The Bill is necessary to appropriate \$1,000,000 of ARPA funding to HDC Mid Atlantic's 1528 West Hamilton Street Affordable housing project

- **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 Bill will allow the City to grant \$1,000,000 of ARPA funding to help cover a \$1.6 million dollar funding gap in HDC Mid Atlantic's 1528 West Hamilton St. affordable housing project. The project will create 49 deeply affordable housing units and has a total cost estimate of \$19,390,595. The Bill will advance Principle #2 of the Housing Section of Vision 2030: Increase the quantity of healthy, safe and affordable housing.

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

This is a one-time grant to the project. The project is expected to generate over \$50,000 in annual real estate taxes, with approximately \$11,800 going to the City.

- **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.**

In addition to 1,000,000 in ARPA funding the City is anticipating to commit \$850,000 of HUD HOME Funding.

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

High Priority. HDC Mid-Atlantic needs to secure its funding commitments so it can close on the property.

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

The funds will create new healthy, safe and affordable housing