



City of Philadelphia

City Council
Chief Clerk's Office
402 City Hall
Philadelphia, PA 19107

BILL NO. 060508

Introduced June 1, 2006

Councilmember DiCicco

**Referred to the
Committee on Finance**

AN ORDINANCE

Authorizing the Director of Housing and Community Development (Housing Director), on behalf of the City, to file applications with the United States Department of Housing and Urban Development (HUD) for a Community Development Block Grant (CDBG); authorizing the Housing Director to file applications with HUD to participate in the HOME Investment Partnership program and the Emergency Shelter Grant (ESG) program; authorizing the Housing Director, on behalf of the City, to file an application with HUD for a Housing Opportunities for Persons with AIDS (HOPWA) grant; authorizing the Housing Director, on behalf of the City, to file an application or applications to obtain grants from the Commonwealth of Pennsylvania, under the Act of April 12, 1956, P.L. 1449, Section 4, as amended, to prevent and eliminate blight; authorizing the Director of Commerce to use the Section 108 Loan Guarantee Program; and authorizing the Housing Director and the Director of Commerce to enter into all understandings and assurances contained in such applications and take all necessary action to accept the grants, all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. The Director of Housing and Community Development (Housing Director), on behalf of the City, is hereby authorized to file an application with the United States Department of Housing and Urban Development (HUD) for a Community Development Block Grant (CDBG) in an amount up to fifty-three million seven hundred eighteen thousand dollars (\$53,718,000) under Title I of the Housing and Community Development Act of 1974 (P.L. 93-383), as amended, including all understandings and assurances therein.

SECTION 2. The Housing Director is hereby designated as the authorized representative of the City to act in connection with the application and is hereby directed to provide

City of Philadelphia

BILL NO. 060508 continued

such additional information as may be required by HUD, to take such additional actions as may be required to complete the application, and to accept the grant.

SECTION 3. The provision in the application providing for the use of up to twenty-five million dollars (\$25,000,000) for interim construction financing is approved subject to the provision that the amount of fifty-three million seven hundred eighteen thousand dollars (\$53,718,000) contained in the CDBG Application is awarded.

Further, said monies shall only be made available for obligation upon certification by the Director of Finance that unexpended CDBG funds are available for Interim Construction Assistance and that any amounts made available are guaranteed by an irrevocable Letter of Credit or other security acceptable to the Director of Finance. At such time the Director of Finance may authorize amounts to be provided from this appropriation which amounts shall be financed by CDBG revenues. Amounts which are repaid shall be credited as program income to finance Community Development activities.

SECTION 4. In accordance with the application, the Director of Finance is specifically authorized, with the concurrence of HUD to, as of June 30, 2005, transfer all unliquidated encumbrances and other available balances for Community Development Program Year XXIX to Program Year XXX. Further, any questioned cost items from Program Year XXIX which are determined by HUD to be ineligible costs shall be transferred to Program Year XXX, after such costs are removed. Program regulations governing such transferred funds shall be determined by HUD. The Director of Finance shall notify the Clerk of Council periodically concerning Program Year XXIX transfers.

SECTION 5. The Housing Director is hereby authorized, on behalf of the City, to file an application, including all understandings and assurances therein, with HUD for up to fifteen million five hundred seventy-six thousand dollars (\$15,576,000) under the HOME Investment Partnership program under Title II of the National Affordable Housing Act of 1990 (P.L. 101-625), to enter into an agreement with HUD to implement the HOME Investment Partnership program, and to take any and all other action necessary to complete the application, participate in the HOME Investment Partnership program, and otherwise carry out the purposes of this Ordinance.

SECTION 6. The Housing Director is hereby authorized, on behalf of the City, to file an application, including all understandings and assurances therein, with HUD for up to seven million eighty-three thousand dollars (\$7,083,000) under the AIDS Housing Opportunity Act (42 U.S.C. 12901) for a Housing Opportunities for Persons with AIDS (HOPWA) grant, to enter into an agreement with HUD to implement the HOPWA program, and to take any and all other action necessary to complete the application, participate in the HOPWA program, and otherwise carry out the purposes of this Ordinance.

City of Philadelphia

BILL NO. 060508 continued

SECTION 7. The Housing Director is hereby authorized, on behalf of the City, to file an application, including all understandings and assurances therein, with HUD for up to two million two hundred ninety-seven thousand dollars (\$2,297,000) under Title IV of the Stewart B. McKinney Homeless Assistance Act of 1987, as amended (P.L. 102-550), for an Emergency Shelter Grant (ESG), to enter into an agreement with HUD to implement the ESG program, and to take any and all other action necessary to complete the application, participate in the ESG program, and otherwise carry out the purposes of this Ordinance.

SECTION 8. The applications for CDBG, HOME, HOPWA and ESG funding which the Housing Director is authorized to file shall be substantially in the form set forth in Exhibit "A" hereto and known as the *Year 32 Consolidated Plan*, which is approved and incorporated herein. The Chief Clerk of the Council shall keep copies of Exhibit "A" on file and make them available for inspection and review by the public.

SECTION 9. The Housing Director, on behalf of the City, is hereby authorized to file an application or applications and, if an application or applications are accepted, to execute a contract or contracts with the Commonwealth of Pennsylvania, to obtain a grant or grants for a blight prevention program under the Act of April 12, 1956, P.L. 1149, as amended, to prevent and eliminate blight in an activity(ies) as identified, determined and authorized by the *Year 32 Consolidated Plan* for housing and community development purposes in an amount not to exceed seven million dollars (\$7,000,000). The Housing Director is further authorized to provide additional information and to furnish any documents as may be required by the Commonwealth of Pennsylvania and to act as the authorized correspondent of the City. Concurrent with the filing of any application with the Commonwealth, copies shall be provided to the Chief Clerk of Council, who shall keep the application on file and make it available for inspection and review by the public.

SECTION 10. The City, through the Office of Housing and Community Development, will comply with laws and regulations dealing with the grant request for a State-Local blight prevention grant as stated in the Act of April 12, 1956, P.L. 1449, as amended; further, the City will assume the full local share of project costs; and further, the City will reimburse the Commonwealth for the State's share of any expenditure found by the Commonwealth to be ineligible.

SECTION 11. The Director of Commerce is hereby authorized, on behalf of the City, to file an application or applications, including all understandings and assurances therein, with HUD to use the Section 108 Loan Guarantee Program at a level up to fifteen million dollars (\$15,000,000); to enter into an agreement with HUD to implement the loan guarantee program pursuant to such application; to pledge CDBG funds (including program income derived from such funds) which the City of Philadelphia is entitled to

City of Philadelphia

BILL NO. 060508 continued

receive pursuant to Section 108 of the Act or other adequate security as determined by HUD and the City including but not limited to a promise to repay by the City as security for the repayment of loans guaranteed under the Section 108 Loan Guarantee Program; to execute notes evidencing the City's obligation to repay such loans; to act as the authorized representative of the City in connection with the application(s); and to take any and all other action necessary to complete the application(s), participate in the Section 108 Loan Guarantee Program and otherwise carry out the purposes of this Ordinance.

SECTION 12. The City Solicitor shall include in the grant applications and agreements referred to herein such other terms and conditions as he deems necessary or desirable to protect the best interest of the City.