

# City of Philadelphia



(Bill No. 020275)

## AN ORDINANCE

Authorizing the Mayor, on behalf of the City, to file an application with the United States Department of Housing and Urban Development (HUD) for a Community Development Block Grant (CDBG), as required by Section 104 of Title I of the Housing and Community Development Act of 1974 (P.L. 93-383), as amended, including all understandings and assurances contained therein; and designating the Mayor and the Director of the Office of Housing and Community Development (Housing Director) as the authorized representatives of the City to act in connection with the application, to provide such additional information as may be required, and to accept the grant under certain terms and conditions; and, further, authorizing the Housing Director to file an application, including all understandings and assurances therein, with HUD to participate in the HOME Investment Partnership program under Title II of the National Affordable Housing Act of 1990 (P.L. 101-625), and to take any and all other action necessary to participate in that program; and, further, 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, under the AIDS Housing Opportunity Act (42 U.S.C. 12901), including all understandings and assurances therein, and to take any and all other action necessary to participate in that program; and, further, authorizing the Housing Director to file an application, including all understandings and assurances therein, with HUD to participate in the Emergency Shelter Grant (ESG) program under Title IV of the Stewart B. McKinney Homeless Assistance Act of 1987, as amended (P.L. 102-550), and to take any and all other action necessary to participate in that program; and further, authorizing the Managing Director, on behalf of the City, to file an application or applications and, if an application is accepted, to execute a contract or contracts to obtain grants from the Commonwealth of Pennsylvania (the Commonwealth), under the Act of April 12, 1956, P.L. 1449, Section 4, as amended to prevent and eliminate blight; and, further, authorizing the Mayor to file an application or applications, including all understandings and assurances therein, with HUD to use the Section 108 Loan Guarantee Program, to enter into an agreement(s) with HUD to implement the loan guarantee program, and to take any and all other action necessary to participate in the Section 108 Loan Guarantee Program.

### *THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:*

SECTION 1. The Mayor, 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 sixty-nine million four hundred forty-four thousand dollars (\$69,444,000) under Title I of the Housing and

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Community Development Act of 1974 (P.L. 93-383), as amended, including all understandings and assurances therein.

SECTION 2. The Mayor and the Director of Housing and Community Development (Housing Director) are hereby designated as the authorized representatives of the City to act in connection with the application and they are hereby directed to provide 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 sixty-nine million four hundred forty-four thousand dollars (\$69,444,000) 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, 2001, transfer all unliquidated encumbrances and other available balances for Community Development Program Year XXV to Program Year XXVI. Further, any questioned cost items from Program Year XXV which are determined by HUD to be ineligible costs shall be transferred to Program Year XXVI, 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 XXV 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 sixteen million two hundred sixty-five thousand dollars (\$16,265,000) 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 one hundred twenty-five thousand dollars (\$7,125,000) under the AIDS Housing Opportunity Act (42 U.S.C. 12901) for a Housing Opportunities for Persons

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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.

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 four hundred thirty-nine thousand dollars (\$2,439,000) 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 Mayor and Housing Director are authorized to file shall be substantially that known as the Year 28 Consolidated Plan, which is approved and incorporated herein as amended by this section, provided that the Year 28 Consolidated Plan is revised prior to submission to HUD so that the budget line item for Neighborhood and Citywide Housing Counseling reflects a total award of \$300,000 to the Housing Association of Delaware Valley and a total award of \$300,000 to Northwest Counseling Services, with any increased funding necessary for such total amounts taken from the budget line item for Administration. The Chief Clerk of the Council shall keep the Year 28 Consolidated Plan as amended by this ordinance and the applications on file and make them available for inspection and review by the public.

(1) Expenditure of CDBG Program funds shall be made only as specified in the annual Community Development Plan (the "CD Plan" ), or any CD Plan amendments properly adopted by Council in compliance with the requirements of Title 21, Subsections 21-1105(3) and (4) of The Philadelphia Code. CDBG Program funds shall be allocated and spent in a manner to provide maximum benefit for the community development needs of low and moderate income persons and families throughout the City and residing in each councilmanic district in the City.

(2) The CD Plan shall be prepared by the Office of Housing and Community Development for the City of Philadelphia ("OHCD") and shall contain the following elements:

(a) A description of the geographic boundaries of each project OHCD intends to fund;

(b) A comprehensive assessment of the community development needs of the low and moderate income population throughout the City and in each councilmanic district in the City, including the social, housing, neighborhood and

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economic characteristics of each area in which CDBG Program funds are eligible to be spent and an enumeration of each neighborhood that will be affected or served by a project the City intends to fund;

(c) An explanation of how low and moderate income residents and families in each area and throughout the particular councilmanic district affected or served will benefit from each project;

(d) An explanation of how minority residents and families in each area and throughout the particular councilmanic district affected or served will benefit from each project;

(e) A detailed Housing Assistance Plan which shall contain an accurate analysis of the housing needs of low and moderate income households of each area and throughout the particular councilmanic district in which CDBG Program funds are to be spent, and an explanation at how CDBG Programs funds will be used to meet those needs;

(f) The amount of money specifically allocated for each project;

(g) An estimate of the total general program delivery, program management and administrative costs of the CD plan, and a detailed budget outlining the specific program delivery, program management and administrative costs of OHCD and any other City departments or City-related agencies for each project including, but not limited to: the number of personnel and their job duties for each project; and, an explanation of how the activities of OHCD and any other City departments and City-related agencies in providing specific program delivery, program management and administrative services benefit low and moderate income persons in each project area and throughout each councilmanic district in the City;

(h) An anti-displacement strategy including the program activities and specified measures the City will undertake to either prevent or alleviate the displacement of low and moderate income residents;

(i) An assessment of the yearly needs of the homeless population in the City, and a listing of public and private agencies that provide shelter to the homeless, including, for each such agency, an estimate of the number of people provided for and the geographical area served by council district, if applicable;

(j) A general proposal and strategy for how the City will develop comprehensive and detailed neighborhood revitalization plans by neighborhood area within a councilmanic district describing the program and project activities which may be funded which will provide the maximum benefit in serving the community development needs of low and moderate income residents throughout the City and in each

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councilmanic district in the City, in accordance with the neighborhood revitalization projects or activities which are eligible activities as provided in 24 CFR Part 570 Subpart C, as amended, including but not limited to neighborhood revitalization activities, such as; public infrastructure improvements; the acquisition, site preparation and disposition of land for mixed income housing development; homeownership assistance; economic development activities; and, job creation and retention programs;

(k) An analysis and calculation of the number and percentage of city residents in each councilmanic district who are low and moderate income, and an analysis and calculation of the number and percentage of all low and moderate income, city residents by councilmanic district;

(l) A detailed listing of the funding amount and percentage of funds being utilized by category of all CDBG eligible programs and activities as provided in 24 CFR Part 570 Subpart C (eligible activities), as amended, by councilmanic district; and

(m) A determination of the extent of housing overcrowding and the age of housing throughout the City and within each councilmanic district in the City.

(3) It shall be the policy of the City that, beginning in CD Year 28 and each CD year thereafter, the City will consolidate administrative functions associated with each agency participating in the CDBG program in order to avoid duplication of services and reduce administrative costs. The use and expenditure of any CD Year 28 funds made available pursuant to any budgetary reduction in the total combined program delivery, program management and administrative costs in the Year 28 Consolidated Plan as compared to the CD Year 27 Consolidated Plan total combined program delivery, program management and administrative costs in compliance with this section shall be used to fund a program for neighborhood revitalization projects or activities which are eligible activities as provided in 24 CFR Part 570 Subpart C, as amended, including but not limited to neighborhood revitalization activities, such as: public infrastructure improvements; the acquisition, site preparation and disposition of land for mixed income housing development; homeownership assistance; economic development activities; and, job creation and retention programs which shall be subject to approval by resolution of City Council.

(4) For purposes of this Section, the following phrases shall mean the following:

(a) A "low income person or resident " is a person residing in the City having an annual income of not more than fifty percent (50%) of the median income for the Standard Metropolitan Statistical Area of Philadelphia for a family of similar size, as determined under the Housing and Community Development Act of 1974, as amended;

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(b) A "moderate income person or resident" is a person residing in the City having an annual income of not more than eighty percent (80%) of the median income for the Standard Metropolitan Statistical Area of Philadelphia for a family of similar size, as determined under the Housing and Community Development Act of 1974, as amended;

(c) A "project" is one of the major program activity categories included in the CDBG Consolidated Plan including, but not limited to homeownership and housing preservation, homeless and special needs housing, and community economic development.

(d) A "neighborhood revitalization plan" is a plan proposed by the City Planning Commission and subsequently reviewed by the OHCD that outlines proposed revitalization projects and activities suitable for meeting the respective community development needs of the residents for a defined neighborhood area. Projects and activities shall be consistent with the provisions of 24 CFR Part 570, Subpart C, as amended, and shall be developed in consultation with any community development corporation, community-based organization, non-profit or for-profit entity, public/private joint venture entity, or any other entity representing the residents of the proposed revitalization area.

SECTION 9. The Housing Director as the designee of the Managing 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 28 Consolidated Plan for housing and community development purposes in an amount not to exceed six million dollars (\$6,000,000). 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 all members of City Council. The Chief Clerk of Council 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.

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SECTION 11. The Mayor 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 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.

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on June 13, 2002. The Bill was Signed by the Mayor on June 26, 2002.



Marie B. Hauser  
Chief Clerk of the City Council