

(Bill No. 050416)

#### AN ORDINANCE

Authorizing the Philadelphia Authority for Industrial Development ("PAID") to file an application with the Office of the Budget, Commonwealth of Pennsylvania, under the Redevelopment Assistance Capital Program, in an amount not to exceed Two Million Five Hundred Thousand Dollars (\$2,500,000) to assist in the construction, renovation and expansion of the emergency room at the Mercy Nazareth Hospital in Philadelphia; and authorizing the City to enter into an agreement with PAID in furtherance of grant requirements; all under certain terms and conditions.

WHEREAS, The City and the Philadelphia Authority for Industrial Development ("PAID") desire to obtain funds from the Commonwealth of Pennsylvania's Office of the Budget, in an amount not to exceed Two Million Five Hundred Thousand Dollars (\$2,500,000) for the undertaking of approved Capital Budget projects under Section 4(c) of the Housing and Redevelopment Assistance Law as amended; and

WHEREAS, Guidelines issued pursuant to the Housing and Redevelopment Assistance Law, as amended, define a blighted area to include portions of an urban community with economically undesirable land uses; and

WHEREAS, The City and PAID recognize that blighting influences exist due to economically undesirable land use throughout the City; and

WHEREAS, The Mercy Nazareth Hospital Project ("Project") is being proposed in order to provide critical emergency medical services to the citizens of Northeast Philadelphia, incorporate new medical technology, and expand the hospital's capacity to meet the growing needs of the community; and

WHEREAS, The City and PAID desire to advance the necessary development of the above-referenced Project; and

WHEREAS, The Housing and Community Development Program authorizes PAID to file applications for grants; and

WHEREAS, The Commonwealth regulations require the City and/or its designated project recipients to assume the provision of the full matching share of the project costs above the amount of Two Million Five Hundred Thousand Dollars (\$2,500,000); and

WHEREAS, The Commonwealth regulations require the City to obligate itself to reimburse the Commonwealth for expenditures found to be ineligible and not reimbursed by the project recipient; and

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WHEREAS, The Commonwealth regulations require the City to enter into a Cooperation Agreement between PAID and the City to create the mechanism to reimburse the state for project expenses found to be ineligible and not reimbursed by the project recipient; and to reimburse the state when warranted for project expenses on projects not completed within the agreed upon term of the grants; and

WHEREAS, The Commonwealth regulations require City Council's approval prior to PAID's submission of an application; now, therefore,

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

SECTION 1. The City of Philadelphia authorizes the Philadelphia Authority for Industrial Development ("PAID") to file an application for a Redevelopment Assistance Capital Program Grant through the Commonwealth of Pennsylvania's Office of the Budget, including all understandings and assurances contained therein, in an amount not to exceed Two Million Five Hundred Thousand Dollars (\$2,500,000) to assist in renovation and expansion of the emergency room at the Mercy Nazareth Hospital in Philadelphia, as described in the Capital Budget Project Itemization Act of 2004-40.

SECTION 2. The City of Philadelphia authorizes PAID to enter into grant agreements with the Commonwealth of Pennsylvania's Office of the Budget to carry out the purposes of this Ordinance.

SECTION. 3. The City and/or its designated project recipient will assume the provision of the full matching share of project costs above the amount of Two Million Five Hundred Thousand Dollars (\$2,500,000).

SECTION 4. The City or the designated project recipient will reimburse the Commonwealth for the State's share of any expenditure awarded pursuant to this Ordinance that is found by the Office of the Budget to be ineligible.

SECTION 5. The City of Philadelphia and/or its designated project recipient also agree to guarantee that it shall fully complete the project within the agreed upon term of the grant (including reasonable extensions requested by the City and/or its designated project recipient).

SECTION 6. The City Council of Philadelphia also authorizes the City to enter into an agreement with the Philadelphia Authority for Industrial Development ("PAID") whereby the City and/or its designated project recipient, at the discretion of the City, will assume the provision of the full local share of the project costs above Two Million Five Hundred Thousand Dollars (\$2,500,000); or to reimburse the Commonwealth for project expenditures for projects not completed within the agreed upon term of the grant.

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on June 2, 2005. The Bill was Signed by the Mayor on June 15, 2005.

Patricia Rafferty

Patricia Refferty

Chief Clerk of the City Council