

## Legislation Text

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**File #:** 130456, **Version:** 1

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Authorizing the Director of Housing, on behalf of the City, to file applications with the United States Department of Housing and Urban Development for a Community Development Block Grant; to participate in the HOME Investment Partnership program and the Emergency Solutions Grant program; and for a Housing Opportunities for Persons with AIDS grant; and to file applications with the Commonwealth to obtain grants under the Act of April 12, 1956, P.L. 1449, Section 4, as amended, to prevent and eliminate blight; authorizing the Director of Housing and the Director of Commerce to file applications to obtain other grants from the Commonwealth; authorizing the Director of Commerce to use the Section 108 Loan Guarantee Program; and authorizing the Director of Housing 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, 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 \$40,049,151 under Title I of the Housing and Community Development Act of 1974, Pub. L. 93-383, as amended, including all understandings and assurances therein.

SECTION 2. The Director of Housing is hereby designated as the authorized representative of the City to act in connection with the application and is 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 \$30,000,000 for interim construction financing is approved subject to the provision that the amount of \$40,049,151 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, 2012, transfer all unliquidated encumbrances and other available balances for Community Development Program Year XXXVI to Program Year XXXVII. Further, any questioned cost items from Program Year XXXV which are determined by HUD to be ineligible costs shall be transferred to Program Year XXXVII, 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 XXXVII transfers.

SECTION 5. The Director of Housing is hereby authorized, on behalf of the City, to file an application, including all understandings and assurances therein, with HUD for up to \$8,600,409 under the HOME Investment Partnership program under Title II of the Cranston-Gonzalez National Affordable Housing Act, Pub. L. 101-625, as amended, 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 Director of Housing is hereby authorized, on behalf of the City, to file an application, including all understandings and assurances therein, with HUD for up to \$7,518,686 under the AIDS Housing Opportunity Act, 42 U.S.C. 12901 *et seq.*, as amended, 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.

SECTION 7. The Director of Housing is hereby authorized, on behalf of the City, to file an application, including all understandings and assurances therein, with HUD for up to \$2,797,355 under Title IV of the Stewart B. McKinney Homeless Assistance Act of 1987, 42 U.S.C. §11371 *et seq.*, as amended, for an Emergency Solutions 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 Director of Housing is authorized to file shall be substantially in the form set forth in Exhibit “A” hereto and known as the *Year 39 Consolidated Plan* (“Plan”); and further, contain a provision stating that: “Seventy-five percent (75%) of the proceeds from the sale of any real property which was acquired under any approved Consolidated Plan shall be used exclusively for programmatic activities authorized by the Consolidated Plan, excluding operating costs, both program delivery and administration. No more than twenty-five percent (25%) of the proceeds from the sale of any real property which was acquired under any approved Consolidated Plan shall be used for operating costs, including program delivery and administration.” OHCD shall provide to the Chief Clerk of City Council a semi-annual report that shall include the amount of program income received during each six-month reporting period and how the program income was allocated to the various line items contained within the Consolidated Plan budget. The reports shall be due no later than 30 days following December 31<sup>st</sup> and June 30<sup>th</sup> of each year.

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 Director of Housing, 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. 1449, as amended, to prevent and eliminate blight in an activity or activities as identified, determined and authorized by the *Year 39 Consolidated Plan* for housing and community development purposes in an amount not to exceed \$5,000,000. The Director of Housing 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 Housing, 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 from the Keystone Communities Program including but not limited to the Elm Street Program grants administered by the Department of Community and Economic Development in an amount not to exceed \$1,000,000. The Director of Housing 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. 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 12. The Director of Commerce, 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 from the Keystone Communities Program including but not limited to the Main Street Program grants administered by the Department of Community and Economic Development in an amount not to exceed \$1,000,000. The Director of Commerce 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. 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 13. 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 \$20,000,000; 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 14. The City Solicitor shall include in the grant applications and agreements referred to herein such other terms and conditions as she deems necessary or desirable to protect the best interest of the City.

[Note: Exhibits to this Bill are on file in the Office of the Chief Clerk.]