## FILE OF THE CITY CLERK

## ADMINISTRATIVE ORDINANCE NO. 04 - 2024 ADMINISTRATION BILL NO. 04 - 2024

## **INTRODUCED - MARCH 12, 2024**

## ADOPTED BY COUNCIL - MARCH 26, 2024

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LANCASTER, LANCASTER COUNTY, PENNSYLVANIA, AWARDING CONTRACTS FOR THE CREATION AND PRODUCTION OF AND/OR REHABILITATION OF AFFORDABLE HOUSING UNITS PURSUANT TO A PREVIOUS APPROPRIATION OF FIVE MILLION DOLLARS OF AMERICAN RESCUE PLAN ACT PROCEEDS IN OCTOBER 2021 BY ORDINANCE NO. 18-2021; PROVIDING FOR THE REPEAL OF INCONSISTENT ORDINANCES; PROVIDING FOR THE SEVERABILITY OF THE ORDINANCE; AND PROVIDING THAT THE ORDINANCE SHALL TAKE EFFECT AS PROVIDED BY PENNSYLVANIA LAW.

WHEREAS, Section 804 of the Third Class City Code, codified at 11 Pa.C.S. Section 101-14702, as amended, provides, inter alia, that, "Money may not be paid out of the city treasury except by an appropriation made in accordance with law and on a document authorizing payment drawn by the proper officer" (11 Pa. C.S. Section 11804(b)); and

WHEREAS, Section 804 of the Third Class City Code as set forth above further provides, inter alia, that, "Council may, by ordinance, make supplemental appropriations for any lawful purpose from any money in the city treasury or estimated to be deposited in the city treasury within the fiscal year and not appropriated for any other purpose, including the proceeds of any borrowing authorized by law" (11 Pa. C.S. Section 11804(e)); and

**WHEREAS**, On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law by President Biden; and

WHEREAS, Section 9901 of ARPA amended Title VI of the Social Security Act to add Section 602, which establishes the Coronavirus State Fiscal Recovery Fund, and Section 603, which establishes the Coronavirus Local Fiscal Recovery Fund (together, the Fiscal Recovery Funds); and

WHEREAS, The Fiscal Recovery Funds are intended to provide support to state, local and tribal governments in responding to the impact of COVID-19 and in their efforts to contain the effects of COVID-19 on their communities, residents, and businesses; and

WHEREAS, in accordance with ARPA, the City of Lancaster received unbudgeted funds from the United States Department of the Treasury for appropriations to be made in accordance with the provisions of ARPA and rules and regulations issued thereunder by the Department of the Treasury; and

WHEREAS, the Administration and the City Council of the City of Lancaster appropriated \$5,000,000.00 from the ARPA allocations received from the US Treasury for purposes of acquiring or enabling selected private and public developers to acquire and/or develop affordable housing units within the City of Lancaster, to provide funds to selected community development corporations and not-for-profit corporations in further developing affordable housing units within the City of Lancaster, and for providing other financial assistance for projects and services consistent therewith by the adoption of Ordinance No. 18-2021 on October 26, 2021; and

WHEREAS, following the issuance of Requests for Proposals and the review of the proposals received in response thereto, on advice and recommendation of the City Administration, City Council of

the City of Lancaster determined that it was in the best interests of the City of Lancaster to authorize the award of funds allocated under Ordinance No. 18-2021 for the production of affordable housing units within the City of Lancaster; and

- **WHEREAS**, pursuant to Ordinance No. 23-2022 the City Council of the City of Lancaster awarded five contracts totaling four million dollars of funding for the purpose of creating new affordable housing units within the City; and
- WHEREAS, one of the awardees, SDL DEVCO, LLC, elected not to proceed with the contract thereby leaving two million dollars of unallocated funds unawarded; and
- WHEREAS, City of Lancaster then issued a new requests for proposals for utilization of some or all of that two million dollars for purposes creating new and affordable housing units and/or rehabilitating existing affordable housing units within the City of Lancaster; and
- **WHEREAS**, the committee established to review such proposals and the City Administration recommend awarding contracts for four projects totaling \$1,700,000.00; and
- **WHEREAS**, the Administration and the City Council of the City of Lancaster desire to allocate and award \$1,700,000 dollars of ARPA funds received from the U.S. Treasury for such purposes.
- **NOW, THEREFORE, BE AND IT IS HEREBY ORDAINED AND ENACTED** by the City Council of the City of Lancaster, Lancaster County, Pennsylvania, as follows:
- <u>SECTION 1.</u> The provisions of the background clauses set forth above be and hereby are incorporated herein.
- <u>SECTION 2.</u> Notwithstanding the provisions of Ordinance No. 23-2022, the funds referenced in this ordinance for contract award are hereby allocated for purposes of creating new affordable housing units and/or rehabilitating existing affordable housing within the City of Lancaster.
- SECTION 3. The proper officers of the City of Lancaster be and hereby are authorized and directed to award such contracts recently appropriated under Ordinance No. 18-2021 and/or appropriated under this Ordinance for the production and/or rehabilitation of affordable housing units subject to each of the awardee's executing contracts and appropriate documents to the satisfaction of the City of Lancaster and its Solicitor subject to the terms and conditions set forth in the City of Lancaster Request for Proposals No. 2023-35; such awards being described as follows:
  - 1. HDC MidAtlantic-College Ave in the amount of \$500,000 for the construction of 64 new affordable housing units:
  - 2. HDC Mid-Atlantic-College Ave II in the amount of \$300,000 for the construction of 25 new affordable housing units;
  - 3. Partners with Purpose in the amount of \$400,000 for the rehabilitation for two single family homes to be utilized and qualified as affordable housing; and
  - 4. Thaddeus Stevens College in the amount of \$500,000 the construction of four duplexes containing eight new affordable housing units.
- <u>SECTION 4.</u> All ordinances or resolutions or parts of ordinances or resolutions insofar as they are inconsistent herewith are hereby repealed and rescinded.
- SECTION 5. In the event any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any of the remaining provisions, sections, sentences, clauses or parts of this Ordinance; it being the intent of the City of Lancaster that the remainder of the Ordinance shall be and shall remain in full force and effect.
- <u>SECTION 6.</u> This Ordinance shall become effective as provided by the laws of the Commonwealth of Pennsylvania.

DULY ORDAINED AND ENACTED this 26th day of March, 2024, by the Council of the City of Lancaster, Lancaster County, Pennsylvania, in lawful session duly assembled.

ATTEST:

CITY OF LANCASTER

Bernard W. Harris, Jr. City Clerk

Danene Sorace, Mayo