

Action Plan

Grantee: Allentown, PA

Grant: B-08-MN-42-0001

LOCCS Authorized Amount:	\$ 2,113,456.00
Grant Award Amount:	\$ 2,113,456.00
Status:	Reviewed and Approved
Estimated PI/RL Funds:	\$ 0.00
Total Budget:	\$ 2,113,456.00

Funding Sources

Funding Source	Funding Type
Neighborhood Stabilization Program	Other Federal Funds

Narratives

Areas of Greatest Need:

Areas of Greatest Needs The City of Allentown has determined that it will use the HUD Risk Score, Income Eligibility Status and Vacancy of units as the data used to define its areas of greatest needs. More explanation and maps of this data are available on the City's website found at www.Allentownpa.gov. Analysis of data showed areas of greatest need to include Census Tracts 8,9,10, 11 and 18 as areas of greatest need. The City of Allentown designated the Old Allentown Historic District, located predominantly in Census Tract 18, as the priority neighborhood for use of NSP funds.

Distribution and Uses of Funds:

As required by the HERA regulations, the City of Allentown will target its NSP funds to the areas of greatest need, including those with the greatest percentage of home foreclosures and those identified as likely to face a significant rise in the rate of home foreclosures. Although much of the City falls into the highest percentage area, the City will target its funds to the Census Tracts 8, 9, 10, 11 and 18, in order to make the most impact on the targeted neighborhood.

Definitions and Descriptions:

- 1. Blighted Structure** The City of Allentown and the Redevelopment Authority of the City of Allentown utilize the states definition of "blighted property" as found in Pennsylvania's Urban Redevelopment Law found at 35 P.S. § 1712.1 (c). For the purposes of the NSP grant, this definition shall apply.
 - 2. Affordable Rents** The City of Allentown defines rents as affordable when a household pays no more than 30 percent of its gross income for rent, including utilities or the applicable fair market rent for the area less any utility costs paid by the tenants, whichever is lower.
 - 3. Continued Affordability** HUD's NSP program requires grantees to ensure, to the extent practicable and for the longest feasible term, that the sale, rental, or redevelopment of abandoned and foreclosed-upon homes and residential properties under this section remain affordable to individuals or families whose incomes do not exceed 120 percent of area median income.
- All homebuyer units assisted must include provisions for meeting the following requirements designed to ensure their long-term affordability restrictions meeting at least the following requirements. Continued affordability will be ensured by the recording of mortgages and deed restrictions.
- Proceeds from the resale where the subsidy recapture provision is used will be reinvested in eligible NSP activities within the first five program years. After the five year period is over, all NSP proceeds must be returned to the Federal Treasury in accordance with the federal NSP regulations.
- HOMEBUYER



SUBSIDY AMOUNT, MINIMUM AFFORDABILITY PERIOD, MINIMUM RESTRICTIONS

<\$15,000

5 Years

Subsidy recapture, 20% forgiveness/year

\$15,000-\$40,000

10 Years

Subsidy recapture, 10% forgiveness/year

>\$40,000

15 Years

Subsidy recapture, 6.66% forgiveness/year

4. Housing Rehabilitation Standards The City of Allentown's Rehabilitation Standards are contained within the City of Allentown's Property Rehabilitation and Maintenance Code, most recently updated and approved by Allentown City Council in May, 2008. These standards can be found on the City's website, www.allentownpa.gov under the codified ordinances section of the government dropdown.

5. Abandoned Property According to the HERA, a home is abandoned when mortgage or tax foreclosure proceedings have been initiated for that property, no mortgage or tax payments have been made by the property owner for at least 90 days and the property has been vacant for at least 90 days

6. Foreclosed Property According to the HERA, a property "has been foreclosed upon" at the point that, under state or local law, the mortgage or tax foreclosures is complete. HUD generally will not consider a foreclosure to be complete until after the title for the property has been transferred from the former homeowner under some type of foreclosure proceeding or transfer in lieu of foreclosure, in accordance with state or local law.

Low Income Targeting:

The City of Allentown will make available at least 25 percent (\$528,364) of its total NSP award of \$2,113,456 for housing for individuals and families whose incomes do not exceed 50 percent of the Area Median Income. It is anticipated that these funds will be used for homeownership units. Homes acquired, rehabilitated and resold to households within this income group will be counted as satisfying this requirement.

Acquisition and Relocation:

No relocation is planned since all properties acquired will be vacant. The City of Allentown may acquire properties which were originally built as single family dwellings but later converted to multi-unit buildings, and ultimately convert them back to single family affordable homeownership dwellings.

- It is anticipated that 20 units may be lost
- The City of Allentown intends to mitigate this loss by making nine owner occupied houses (units) available to low, moderate and middle income households, whose income does not to exceed 120 percent of AMI.
- In addition, the City of Allentown anticipates making four owner-occupied houses (units) available to low income households whose incomes do not exceed 50 percent of AMI.

Public Comment:

The City of Allentown's Neighborhood Stabilization Plan was posted on the City's Website on November 11, 2008. A display advertisement was printed in the local section of The Morning Call newspaper on November 12, 2008 (see attached ad). Public hearings were held to receive comments on the plan on Wednesday, November 19, 2008 at 10:00 A.M. and 4:00 P.M. No one attended the hearings. One person requested a copy of the plan be sent and the City of Allentown received no comments on the plan.

The plan was submitted to HUD on December 1, 2008.

Project Summary

Project #	Project Title	Grantee Activity #	Activity Title
1	NSP Acquisition	B-1	NSP Acquisition, etc. LMMI
		B-2	NSP Acquisition-LM
2	Rehabilitation-LH	2B	Rehabilitation LMMI



3	Administration	B-3	NSP Rehabilitation
		B-4	Administration
		B-5	RACA Administration
4	Demolition	700-01-7406-0001	NSP Demolition
9999	Restricted Balance		<i>No activities in this project</i>
B-6	Activity E	B-6	Activity E



Activities

Project # / 1 / NSP Acquisition

Grantee Activity Number: B-1
Activity Title: NSP Acquisition, etc. LMMI

Activity Type:

Acquisition - general

Project Number:

1

Projected Start Date:

05/01/2009

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Activity Status:

Under Way

Project Title:

NSP Acquisition

Projected End Date:

12/31/2018

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 904,307.85

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 904,307.85

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

of Households

Total	Low	Mod	Low/Mod%
9		9	100.00

Proposed Accomplishments

of Properties

Total
9

Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

Redevelopment Authority of the City of Allentown

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Redevelopment Authority of the City of Allentown

Organization Type

Unknown

Proposed Budget

\$ 904,307.85



Location Description:

Properties in the Old Allentown Historic District will have priority for acquisition.

Activity Description:

Acquisition of vacant/foreclosed/abandoned properties in the Old Allentown Historic District. Using an RFP process, properties will be sold to non-profit or for-profit developers, rehabilitated and ultimately sold to families with incomes between 51-120% of AMI.

Environmental Assessment:

Environmental None



Grantee Activity Number: B-2
Activity Title: NSP Acquisition-LM

Activity Type:
 Acquisition - general

Project Number:
 1

Projected Start Date:
 05/01/2009

Project Draw Block by HUD:
 Not Blocked

Activity Draw Block by HUD:
 Not Blocked

Block Drawdown By Grantee:
 Not Blocked

National Objective:
 LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Activity Status:
 Under Way

Project Title:
 NSP Acquisition

Projected End Date:
 12/31/2018

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 278,900.02

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 278,900.02

Benefit Report Type:
 Area Benefit (Survey)

Proposed Beneficiaries

of Persons

Total	Low	Mod	Low/Mod%
4	4		100.00

Proposed Accomplishments

of Properties

Total
 4

Activity is being carried out by
 No

Activity is being carried out through:

Organization carrying out Activity:
 Redevelopment Authority of the City of Allentown

Proposed budgets for organizations carrying out Activity:

Responsible Organization
 Redevelopment Authority of the City of Allentown

Organization Type	Proposed Budget
Unknown	\$ 308,339.18

Funding Source Name
 Neighborhood Stabilization Program

Matching Funds	Funding Amount
No	\$ 0.00

Location Description:
 The RACA will acquire vacant/abandoned/foreclosed properties located in the Old Allentown Historic District.



Activity Description:

The RACA will acquire vacant/abandoned/foreclosed properties located in the Old Allentown Historic District. Using an RFP process, properties will be sold to non-profit or for-profit housing developers, rehabilitated and ultimately resold to families with incomes below 50% of AMI.

Environmental Assessment:

Environmental None

Project # / 2 / Rehabilitation-LH

Grantee Activity Number: 2B
Activity Title: Rehabilitation LMMI

Activity Type:
Rehabilitation/reconstruction of residential structures
Project Number:
2
Projected Start Date:
12/01/2012
Project Draw Block by HUD:
Not Blocked
Activity Draw Block by HUD:
Not Blocked
Block Drawdown By Grantee:
Not Blocked
National Objective:
LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Activity Status:
Under Way
Project Title:
Rehabilitation-LH
Projected End Date:
12/31/2018
Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 0.00
Most Impacted and Distressed Budget: \$ 0.00
Other Funds: \$ 0.00
Total Funds: \$ 0.00

Benefit Report Type:
Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Renter Households	2		2	100.00
# Owner Households	2		2	100.00

# of Households	4	4	100.00
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Proposed Accomplishments

	Total
# of Singlefamily Units	2
# of Multifamily Units	2
# of Housing Units	4

Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

Redevelopment Authority of the City of Allentown

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
Redevelopment Authority of the City of Allentown	Unknown	\$ 0.00

Location Description:

Rehabilitation of properties located in the NSP neighborhood.

Activity Description:

Rehabilitation of properties acquired with NSP funds which are located in NSP neighborhood. Two properties are for homeownership by families under 80 percent of median income and one property is for rental by households under 80 percent of median income.

Environmental Assessment: UNDERWAY

Environmental None



Grantee Activity Number: B-3
Activity Title: NSP Rehabilitation

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

2

Projected Start Date:

05/01/2009

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Activity Status:

Under Way

Project Title:

Rehabilitation-LH

Projected End Date:

12/31/2018

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 379,060.25

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 379,060.25

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

of Households

Total	Low	Mod	Low/Mod%
4	4		100.00

Proposed Accomplishments

of Housing Units

ELI Households (0-30% AMI)

of Properties

Total

4

Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

Redevelopment Authority of the City of Allentown

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Redevelopment Authority of the City of Allentown

Organization Type

Unknown

Proposed Budget

\$ 194,863.97

Funding Source Name

Neighborhood Stabilization Program

Matching Funds

No

Funding Amount

\$ 0.00



Location Description:

Old Allentown Historic District

Activity Description:

The RACA will oversee the rehabilitation of properties acquired with NSP funds, to be sold to families with incomes below 50% AMI. Another non-profit may ultimately purchase the properties and oversee the rehabilitation.

Environmental Assessment: COMPLETED

Environmental None

Project # / 3 / Administration

Grantee Activity Number: B-4
Activity Title: Administration

Activity Type:

Administration

Project Number:

3

Projected Start Date:

05/01/2009

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

Not Applicable - (for Planning/Administration or Unprogrammed Funds only)

Activity Status:

Under Way

Project Title:

Administration

Projected End Date:

12/31/2018

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 111,346.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 111,346.00

Benefit Report Type:

NA



Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

City of Allentown1

Proposed budgets for organizations carrying out Activity:

Responsible Organization

City of Allentown1

Organization Type

Unknown

Proposed Budget

\$ 65,791.89

Funding Source Name

Neighborhood Stabilization Program

Matching Funds

No

Funding Amount

\$ 0.00

Location Description:

City of Allentown

Activity Description:

City of Allentown's administration of the NSP grant funds

Environmental Assessment:

Environmental

None



Grantee Activity Number: B-5
Activity Title: RACA Administration

Activity Type:

Administration

Project Number:

3

Projected Start Date:

05/01/2009

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

Not Applicable - (for Planning/Administration or Unprogrammed Funds only)

Activity Status:

Under Way

Project Title:

Administration

Projected End Date:

12/31/2018

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 100,000.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 100,000.00

Benefit Report Type:

NA

Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

Redevelopment Authority of the City of Allentown

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Redevelopment Authority of the City of Allentown

Organization Type

Unknown

Proposed Budget

\$ 91,442.54

Funding Source Name

Neighborhood Stabilization Program

Matching Funds

No

Funding Amount

\$ 0.00

Location Description:

City of Allentown

Activity Description:

RACA's administration of NSP program



Environmental Assessment:

Environmental None

Project # / **4 / Demolition**

Grantee Activity Number: **700-01-7406-0001**
Activity Title: **NSP Demolition**

Activity Type:

Clearance and Demolition

Project Number:

4

Projected Start Date:

08/01/2010

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Activity Status:

Under Way

Project Title:

Demolition

Projected End Date:

12/31/2018

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 139,159.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 139,159.00

Benefit Report Type:

Area Benefit (Census)

Proposed Beneficiaries

of Persons

Total	Low	Mod	Low/Mod%
			0.0

Proposed Accomplishments

of Singlefamily Units

of Multifamily Units

of Housing Units

Total

4

4



of Properties

4

LMI%:	77.5
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Activity is being carried out by

Activity is being carried out through:

No

Organization carrying out Activity:

Redevelopment Authority of the City of Allentown

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Redevelopment Authority of the City of Allentown

Organization Type

Unknown

Proposed Budget

\$ 139,159.00

Funding Source Name

Neighborhood Stabilization Program

Matching Funds

No

Funding Amount

\$ 0.00

Location Description:

Activity Description:

10/5/18 -removed the inaccurate number of proposed person

Environmental Assessment:

COMPLETED

Environmental

None

Project # / B-6 / Activity E

Grantee Activity Number:

B-6

Activity Title:

Activity E

Activity Type:

Acquisition, construction, reconstruction of public facilities

Activity Status:

Under Way

Project Number:

B-6

Project Title:

Activity E

Projected Start Date:

01/01/2012

Projected End Date:

12/31/2018

Project Draw Block by HUD:

Project Draw Block Date by HUD:



Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Activity Draw Block Date by HUD:

Total Budget:	\$ 200,682.88
Most Impacted and Distressed Budget:	\$ 0.00
Other Funds:	\$ 0.00
Total Funds:	\$ 200,682.88

Benefit Report Type:

Area Benefit (Census)

Proposed Accomplishments

of buildings (non-residential)

of Properties

Total

1

1

LMI%:

Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

City of Allentown2

Proposed budgets for organizations carrying out Activity:

Responsible Organization

City of Allentown2

Organization Type

Local Government

Proposed Budget

\$ 159,118.57

Location Description:

523-525 North Seventh Street, Allentown, PA

Activity Description:

Acquisition and rehabilitation of the commercial section of a mixed use building in the area targeted for revitalization. The first floor of the three floor building will be used as a commercial use and the upper two floors will be used for rental units.

Environmental Assessment:

COMPLETED

Environmental

None



Action Plan Comments:

- Reviewer - Grantee entered allocation amounts twice under each activity. Based on guidance from headquarters, the plan was rejected in order for the grantee to modify their entries.
- Reviewer - Amendment included revisions to projected end dates.
- Grantee is advised to complete an administrative amendment to include narratives in the following sections:
- Definitions and Descriptions
 - Low Income Targeting
 - Acquisition and Relocation
 - Public Comment
- Reviewer - Christine Jones will contact you with information on changes needed. Please make changes and resubmit Action Plan by COB today, Wednesday July 17th, 2019.
- Reviewer - As per review conducted by Senior CPD Rep Christine Jones, Plan was reviewed and is approved. Administrative amendment included the addition of narratives previously included in the City's approved Action Plan Amendment 2008-2009.

Action Plan History

Version	Date
B-08-MN-42-0001 AP#1	05/15/2009
B-08-MN-42-0001 AP#2	11/22/2010
B-08-MN-42-0001 AP#3	01/30/2013
B-08-MN-42-0001 AP#4	06/25/2019
B-08-MN-42-0001 AP#5	07/17/2019

