

CITY OF BETHLEHEM

Department of Community and Economic Development

To: Michael Colón, City Council President
From: Laura Collins, Director of Community and Economic Development
Re: Memorandum of Understanding – Bethlehem Housing Authority
Date: May 11, 2023

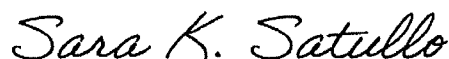
Enclosed for City Council's review and consideration is a proposed Memorandum of Understanding between the City of Bethlehem and the Bethlehem Housing Authority that relates to the initiation of a planning grant under the U.S. Department of Housing and Urban Development Choice Neighborhoods Planning Grants Program. As detailed in our April 17 memorandum to City Council and as discussed at the May 2 City Council meeting, the City of Bethlehem intends to be the lead applicant and the Bethlehem Housing Authority the co-applicant on a 2023 Choice Neighborhoods Planning Grant application. The attached Memorandum of Understanding between the two partners is a required component of the application. The Memorandum of Understanding sets forth the partners' agreement for collaboration on this application and, if awarded, the planning grant. We respectfully request that City Council authorize the execution of this agreement.

cc: file

DATE: May 11, 2023



Laura Collins
Director of the Department of Community and
Economic Development



Sara Satullo
Deputy Director of Community Development

RESOLUTION 2023 - _____

**AUTHORIZING THE EXECUTION OF AN
MEMORANDUM OF UNDERSTANDING
BY AND BETWEEN THE CITY OF BETHLEHEM AND
THE BETHLEHEM HOUSING AUTHORITY**

WHEREAS, Bethlehem Housing Authority (“BHA”) is a public body corporate and politic organized under the laws of the Commonwealth of Pennsylvania and operates as a public housing authority within the City’s corporate limits; and

WHEREAS, on April 6, 2023, U.S. Department of Housing and Urban Development (“HUD”) issued a Notice of Funding Availability for the Choice Neighborhoods Planning Grants Program (the “Program”) for Fiscal Year 2023; and

WHEREAS, the Program oversees the Planning Grant, which awards funds in an amount up to Five Hundred Thousand Dollars (\$500,000.00) for the purpose of (i) replacing distressed public and assisted housing with high-quality mixed-income housing that is well-managed and responsive to the needs of the surrounding neighborhood, (ii) improving outcomes of households living in the target housing related to employment and income, health, and children’s education, and (iii) creating the conditions necessary for public and private reinvestment in distressed neighborhoods to offer the kinds of amenities and assets, including safety, good school, and commercial activity, that are important to families’ choices about their communities; and

WHEREAS, BHA’s HUD-approved 5-year Public Housing Authority Plan, Annual Public Housing Plan and Strategic Plan, affirm BHA’s commitment to evaluate all BHA-owned properties for modernization, development, demolition and/or disposition and prioritize as to highest and best use; and

WHEREAS, BHA commits to ongoing public input into any redevelopment plans by soliciting input from residents, advocates, neighborhood groups and other stakeholders; and

WHEREAS, BHA is an innovative public housing authority, managing or supporting affordable housing for approximately 1,500 households in the City (including housing choice vouchers, public housing, and Tax Credit units); and

WHEREAS, BHA has significant experience in managing resident programs for the development and management of federally assisted housing; and

WHEREAS, the City has significant experience in neighborhood planning and plan implementation with a long history of working with HUD programs such as the CDBG Program, the Neighborhood Stabilization Program, and the HOME Program, all of which have helped improve the quality of life for the City; and

WHEREAS, BHA has the experience and the responsibility for planning and implementing the demolition and rehabilitation of public housing units, the renovation of and new construction of public housing units, leveraging funds by collaborating with the City, and utilizing public and private funding sources; and

WHEREAS, the Parties have agreed to establish each of their intentions, roles and responsibilities, and commitment to the development of the Transformation Plan and have agreed to set forth their agreement in this Agreement.

NOW, THEREFORE BE IT RESOLVED, on this ___ day of _____, 2023, that the City Council of the City of Bethlehem approves and ratifies the Memorandum of Understanding attached hereto and that the Mayor and the Controller and/or such other City officials as deemed appropriate by the City Solicitor, are hereby authorized to execute the same on behalf of the City of Bethlehem.

Sponsored by _____

ADOPTED by Council this ___ day of _____, _____

President of Council

ATTEST:

City Clerk

MEMORANDUM OF UNDERSTANDING

**City of Bethlehem
Bethlehem Housing Authority**

THIS MEMORANDUM OF UNDERSTANDING (“Agreement”), is made and entered into this [redacted] day of [redacted], 2023, by and between the City of Bethlehem, Pennsylvania (“City”), and the Bethlehem Housing Authority (“BHA”) (collectively, the “Parties”), as it relates to the development of a comprehensive neighborhood revitalization strategy (the “Transformation Plan”) for the Stefko-Pembroke Neighborhood, the boundaries of which are set forth in Exhibit A to this Agreement, which is incorporated herein by reference, and as detailed in the application for a U.S Department of Housing and Urban Development (“HUD”) Choice Neighborhoods Planning Grant (the “Planning Grant”), which is incorporated herein by reference. The City and BHA are referred to herein from time to time individually as the “Party” and collectively as the “Parties.”

WITNESSETH

WHEREAS, BHA is a public body corporate and politic organized under the laws of the Commonwealth of Pennsylvania and operates as a public housing authority within the City’s corporate limits; and

WHEREAS, on April 6, 2023, HUD issued a Notice of Funding Availability for the Choice Neighborhoods Planning Grants Program (the “Program”) for Fiscal Year 2023; and

WHEREAS, the Program oversees the Planning Grant, which awards funds in an amount up to Five Hundred Thousand Dollars (\$500,000.00) for the purpose of (i) replacing distressed public and assisted housing with high-quality mixed-income housing that is well-managed and responsive to the needs of the surrounding neighborhood, (ii) improving outcomes of households living in the target housing related to employment and income, health, and children’s education, and (iii) creating the conditions necessary for public and private reinvestment in distressed neighborhoods to offer the kinds of amenities and assets, including safety, good school, and commercial activity, that are important to families’ choices about their communities; and

WHEREAS, BHA’s HUD-approved 5-year Public Housing Authority Plan, Annual Public Housing Plan and Strategic Plan, affirm BHA’s commitment to evaluate all BHA-owned properties for modernization, development, demolition and/or disposition and prioritize as to highest and best use; and

WHEREAS, BHA commits to ongoing public input into any redevelopment plans by soliciting input from residents, advocates, neighborhood groups and other stakeholders; and

WHEREAS, BHA is an innovative public housing authority, managing or supporting affordable housing for approximately 1,500 households in the City (including housing choice vouchers, public housing, and Tax Credit units); and

WHEREAS, BHA has significant experience in managing resident programs for the development and management of federally assisted housing; and

WHEREAS, the City has significant experience in neighborhood planning and plan implementation with a long history of working with HUD programs such as the CDBG Program, the Neighborhood Stabilization Program, and the HOME Program, all of which have helped improve the quality of life for the City; and

WHEREAS, BHA has the experience and the responsibility for planning and implementing the demolition and rehabilitation of public housing units, the renovation of and new construction of public housing units, leveraging funds by collaborating with the City, and utilizing public and private funding sources; and

WHEREAS, the Parties have agreed to establish each of their intentions, roles and responsibilities, and commitment to the development of the Transformation Plan and have agreed to set forth their agreement in this Agreement.

NOW, THEREFORE, for and in consideration of the mutual promises to each other, and incorporating the foregoing WHEREAS clauses by reference, the Parties hereto do mutually agree as follows:

I. PURPOSE

The Parties shall cooperate for the purposes of applying for and carrying out a Planning Grant for FY 2023. The Parties' agreed upon cooperation shall include applying for Planning Grant funds under the Program and, if awarded a Planning Grant, undertaking or assisting in undertaking eligible activities identified in the Parties' application the Planning Grant.

Anticipated eligible activities under the Planning Grant include the development of the Transformation Plan for the Pembroke Village public housing property and areas of the Stefko-Pembroke Neighborhood that are in need of investment for revitalization. Eligible Planning Grant activities may include: completion of comprehensive needs assessments related to housing, people and the neighborhood; technical planning studies; involvement of stakeholders including public housing residents, neighborhood residents, public and private organizations, businesses, neighborhood associations and other relevant stakeholders; planning for the collection and strategic use of relevant data; and strengthening the management and decision-making capacity of participating organizations.

II. SCOPE OF WORK

The Parties commit to work collaboratively to apply for a Planning Grant and, if awarded, to develop a Transformation Plan throughout the term of the Planning Grant, which is anticipated to be a two-year period. The City shall serve as the lead applicant ("Applicant") for the purposes of the Planning Grant application, and BHA shall serve as co-applicant ("Co-Applicant") for the purposes of the application.

III. CITY'S RESPONSIBILITY

In its role of Applicant, the City shall have primary responsibility to administer and implement the Planning Grant if awarded by HUD. The City will be responsible for the following:

- a) Ensuring that the planning project is carried out in compliance with all HUD requirements (as set forth in the grant agreement provided and required by HUD upon the grant award) in substantial compliance with the information provided in the grant application;
- b) Submitting all pertinent documents and reports to HUD as required by the grant agreement provided and required by HUD upon the grant award;
- c) Providing capacity and expertise in people, housing, and neighborhood planning and implementation;
- d) Providing its expertise from relevant City departments (e.g., Planning, Community and Economic Development, Public Works, Police, Parks and Recreation, and other applicable departments for consultation and information sharing);
- e) Informing BHA of plans and projects undertaken by the City in the Stefko-Pembroke Neighborhood that may impact and influence the Choice Neighborhoods Initiative;
- f) Reviewing analysis of data gathered during the process as a necessary component of the Transformation Plan;
- g) Accessing funding through HUD's Line of Credit Control System;
- h) Determining the adequacy of performance under project agreements and procurement contracts; and
- i) Such other responsibilities required of City as Applicant that may arise from time to time under the terms of the Planning Grant.

IV. BHA'S RESPONSIBILITY

In its role as Co-Applicant, BHA will be responsible for the following:

- a) Supporting the City in ensuring that the planning project is carried out in compliance with all HUD requirements (as set forth in grant agreement provided and required by HUD upon the grant award) in substantial compliance with the information provided in the grant application;
- b) Conducting an environmental review;
- c) Consulting with the City on any decision-making and action required for the properties identified in the grant application;
- d) Engaging in communication and coordination with housing authority residents and community stakeholders within the planning process;
- e) Submitting all pertinent documents and reports to HUD as required by the grant agreement; and
- f) Such other responsibilities required of BHA as Co-Applicant that may arise from time to time under the terms of the Planning Grant.

V. MODIFICATION

No waiver, alteration, modification or termination of this Agreement shall be valid unless made in writing and signed by the authorized signor of each Party.

VI. CANCELLATION

This Agreement may be cancelled by either Party for any reasons or no reason upon sixty (60) days written notice to the persons designated in Section IX of this Agreement; provided, however, this Agreement may be immediately cancelled for Cause, i.e., a material and significant breach of the provisions of this Agreement, upon delivery of written notice to the other Party.

VII. TERMINATION

This Agreement shall terminate upon, the earlier of, the completion of all obligations of the Parties, upon the expiration of the Planning Grant period, or in the event that the Planning Grant is not awarded to BHA and the City.

VIII. EFFECT OF CANCELLATION OR TERMINATION

Cancellation or Termination of this Agreement by either Party for any reason shall not affect any other agreement or relationship between the Parties unless otherwise specified in writing by the Parties. If either Party affects cancellation of this Agreement without Cause, and without the required notice under Section VI, that Party may be responsible to compensate the other Party for financial losses arising from such cancellation.

IX. NOTICE

All notices, requests, claims, and other communications required herein shall be in writing and made by personal delivery, courier, facsimile, or deposited in the United States Mail, postage prepaid, registered or certified mail, return receipt requested, and addressed as follows:

If to the City:

Sara Satullo
Deputy Director of Community Development
10 E. Church St., Bethlehem, PA 18018
ssatullo@bethlehem-pa.gov

If to BHA:

INSERT

X. INDEMNIFICATION

Except as otherwise provided in this Agreement, in the event a claim, lawsuit, or demand is brought against one Party (the “Defending Party”) that arises solely and directly out of the acts or omissions of the other Party (the “Indemnifying Party”) or which results from any material breach by the Indemnifying Party or any representation or warranty contained herein, the Defending Party shall be indemnified and held harmless by the Indemnifying Party to the extent of any such lawsuit, claim, or demand, including costs of litigation and reasonable attorney’s fees not covered by insurance. The Parties agree to give each other notice of any such claim, demand, or action (Defending Party shall notify the Indemnifying Party) within ten (10) business days of receipt of such lawsuit, claim, or demand, and to the extent that there is no material conflict of interest, the Indemnifying Party shall be given the opportunity to fully participate in the defense and all negotiations for a settlement or compromise and the Defending Party shall cooperate fully with the Indemnifying Party in the defense and/or settlement thereof. The Indemnifying Party will not be responsible for any settlement entered into by the Defending Party which the Indemnifying Party has not approved in writing, provided that such approval shall not be unreasonably withheld or delayed.

XI. RETENTION OF RECORDS

The Parties agree to retain all documents pertinent to this Agreement for, the longer of, (a) five (5) years from the termination of this Agreement; (b) until all pending Federal, State, and County audits are completed; or (c) as required by applicable Pennsylvania public record retention schedules.

XII. COMPLIANCE WITH FEDERAL LAWS AND REGULATIONS

In the performance of the services under this Agreement, the Parties shall comply with all applicable statutes, ordinances, regulations, and rules of the Federal Government. This Agreement is subject to any required approvals by the governing body of BHA, the City, and/or HUD.

XIII. COUNTERPARTS

This Agreement may be executed in counterparts, all of which shall constitute an original of the same.

XIV. GOVERNANCE

This Agreement shall be construed and enforced under the laws of the Commonwealth of Pennsylvania. The Parties agree that Pennsylvania courts shall have jurisdiction over any disputes arising out of this Agreement, and that venue is proper in Northampton and Lehigh Counties, Pennsylvania for any state court action and in the Eastern District of Pennsylvania for any federal court action.

XV. ASSIGNMENT

This Agreement shall not be assigned without the prior written consent of the Parties. All of the terms of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective legal representatives, successors, transferees, and assigns.

XVI. FORCE MAJEURE

No Party shall be deemed in default of its obligations under this Agreement if prevented from performing by acts of God, acts of war, strikes, civil insurrection, governmental shutdowns, or by other similar acts or events outside the control of the Parties to this Agreement.

XVII. HEADINGS

Section headings are not to be considered a part of this Agreement and are not intended to be a full and accurate description of the contents herein.

XIII. SEVERABILITY

If one or more of the provisions in this Agreement are deemed void by law then the remaining provisions will continue in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed the day and year first above written.

Attest:

City of Bethlehem, Pennsylvania

Tad Miller, City Clerk

By: _____
J. William Reynolds, Mayor

Bethlehem Housing Authority

By: _____
John Ritter, Interim Executive Director

EXHIBIT A

Choice Neighborhoods Stefko-Pembroke Neighborhood Boundaries Map

Project Map Snapshot for 8209733

