

CITY OF BETHLEHEM

Department of Community and Economic Development

Interoffice Memorandum

Date: September 14, 2023
To: Michael G. Colón, President of City Council
From: Laura Collins, Director of Community and Economic Development
Sara Satullo, Deputy Director of Community Development
Re: Pathways to Removing Obstacles to Housing Grant Opportunity

The City's Comprehensive Housing Strategy—titled Opening Doors: Strategies to Build Housing Stability in Bethlehem—is about to move from plan development to strategy implementation. With the support of City Council, we have \$5 million budgeted for affordable housing initiatives, which is a great start to carry out this work, but we know we need more resources to implement the whole slate of strategies we have identified.

Through the Pathways to Removing Obstacles to Housing program (PRO Housing), President Biden and Congress have made \$85 million in competitive grant funding available to support communities actively taking steps to remove barriers to creating and preserving affordable housing, such as outdated zoning and land use; inefficient procedures and gaps in available development resources.

We are asking Bethlehem City Council's to support the City applying for up to \$10 million to bolster the City's implementation of the strategies outlined in our housing plan.

This new grant opportunity comes with a tight timeline, similar to Choice Neighborhoods, making it necessary to ask for your support ahead of our scheduled Opening Doors Community Development Committee meetings September 26 and October 10.

The PRO Housing grant offers the City a rare opportunity to greatly expand the reach of our strategies and, hopefully, create more affordable housing. We are well positioned to apply for this new competitive grant opportunity because we have spent the last year identifying the major local barriers to creating and preserving affordable housing and devised a set of targeted strategies to help us overcome these barriers.

We plan to apply for this funding to augment the zoning updates recommended in the Opening Doors plan and design the affordable housing incentive programs, including a revolving loan fund, to accompany them. It also will allow the City to provide further financial support for several homelessness/eviction prevention programs operated by community partners.

The U.S. Department of Housing and Urban Development is administering PRO Housing in accordance with Community Development Block Grant guidelines requiring a draft plan to be made available for public inspection.

The grant is due October 30. Ahead of submission, council must approve the draft application, make the plan available for public comment for at least 15 days and hold a public hearing.

If council authorizes this application, we will bring the draft application to council for approval October 3, release the plan and schedule a public hearing.

By January 31, 2024, HUD expects to make 20 awards ranging from a minimum of \$1 million up to \$10 million per project. The grant has a six-year performance period ending September 30, 2029, aligning nicely with Opening Doors' five-year implementation timeline.

Thank you for your consideration of this opportunity.



Laura Collins

Director of the Department of Community and
Economic Development



Sara Satullo

Deputy Director of Community Development

RESOLUTION 2023-_____

Be it RESOLVED, that the City of Bethlehem of Lehigh and Northampton Counties hereby requests a Pathways to Removing Obstacles to Housing (PRO Housing) grant for a minimum of \$1,000,000.00 (1 million dollars) from the U.S. Department of Housing and Urban Development; Community Planning and Development, for the implementation of key strategies from the City's newly developed plan; Together We Can: A 5-Year Action Plan to Address Housing Needs in Bethlehem.

Be it FURTHER RESOLVED, that the Applicant does hereby designate J. William Reynolds, Mayor, Edward J. Boscola, Director of Water and Sewer Resources, and George Yasso, City Controller, as the officials to execute all documents and agreements between the City of Bethlehem and the Commonwealth Financing Authority to facilitate and assist in obtaining the requested grant.

I, the duly qualified Clerk of Council of the City of Bethlehem of Lehigh and Northampton Counties, PA, hereby certify that the forgoing is a true and correct copy of a Resolution duly adopted by a majority vote of the Council of the City of Bethlehem at a regular meeting held on _____, 2023, and said Resolution has been recorded in the Minutes of the Council of the City of Bethlehem and remains in effect as of this date.

IN WITNESS THEREOF, I affix my hand and attach the seal of the City of Bethlehem, this _____ day of _____.

Sponsored by /s/ _____

/s/ _____

ADOPTED by Council this the

/s/ _____
President of Council

ATTEST:

/s/ _____
City Clerk