

CITY OF WILLIAMSPORT, PA RESOLUTION

RESOLUTION # 8980

DATE 2-6-20

TITLE

**RESOLUTION TO APPROVE THE REVIEW OF A PHARE APPLICATION
FOR PROPERTY LOCATED AT 1646/1648 MEMORIAL AVE**

WHEREAS, the City has a Loan Review Committee that approves applications for participation in the PHARE (Pennsylvania Housing Affordability and Rehabilitation Enhancement fund) Rental Rehabilitation Program; and

WHEREAS, PHARE Program applications are typically reviewed and approved internally by the Loan Review Committee and then forwarded to the Redevelopment Authority for either final approval or denial of the application; and

WHEREAS, Beckabode, LLC has submitted a PHARE application for the property located at 1646/1648 Memorial Avenue; and

WHEREAS, Councilmember Mr. Vincent Pulizzi has an ownership interest in Beckabode, LLC; and

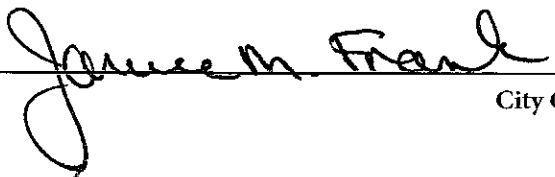
WHEREAS, in an effort to promote transparency in City government, the Loan Review Committee is seeking City Council approval prior to reviewing the application; and

WHEREAS, the application for the property located at 1646/1648 Memorial Ave meets the PHARE Rental Rehabilitation Program requirements, and would, but for the identity of the applicant, be presented to the Loan Review Committee; and

WHEREAS, the total project cost at issue in the application is \$24,852.00, of which the PHARE Program will provide \$21,124.20 in state PHARE funds and the applicant will be responsible for the remainder.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the City authorizes the Loan Review Committee to proceed with the review of the PHARE Application for the property located at 1646/1648 Memorial Ave.

Approved



City Clerk



President



CITY OF WILLIAMSPORT

DEPARTMENT OF ECONOMIC & COMMUNITY DEVELOPMENT

MEMORANDUM

TO: Mayor Derek Slaughter and Members of City Council

FROM: Stephanie P. Young

RE: **RESOLUTION TO APPROVE THE REVIEW OF A PHARE APPLICATION FOR PROPERTY LOCATED AT 1646/1648 MEMORIAL AVE.**

DATE: January 31, 2020

Through Lycoming County, the City received Pennsylvania Housing Affordability and Rehabilitation Enhancement (PHARE) funds for a rental rehabilitation program in the designated Brodart area. A map of the area is attached.

PHARE funds must be used to support affordable housing. Goals of the program include promoting the rehabilitation of rental properties and retaining affordable rental housing.

The maximum amount of funds per project is \$25,000. Funds are offered at a 0% interest rate and have a 10-year forgiveness term. A minimum 15% cash match from the property owner is required. The work is performed by private contractors under a competitive bid process, which is assisted by the Community Development Office.

All rental units must be affordable to lower income households. Owners are required to provide annual statements regarding unit occupancy, rent and utility arrangements. If the property is sold, or a default occurs within the ten year term, repayment is required. If no default occurs in the ten year term, the mortgage is forgiven.

PHARE applications typically are not presented to City Council. The applications are reviewed by the Loan Review Committee (Community Development Director, Finance Director and the City Controller). If approved, the application is then presented to the Redevelopment Authority for final approval.

We are requesting City Council's approval to proceed with the review of a PHARE application that was submitted by Beckabode, LLC. The project is for the rehabilitation

of a two unit rental property located at 1646/1648 Memorial Ave., which is owned by Council member Vincent Pulizzi. The application was submitted prior to Mr. Pulizzi's election to City Council; however, in the interest of transparency, the City Solicitor advised that City Council approve proceeding with the application process. The application meets all of the PHARE rental rehabilitation program requirements.

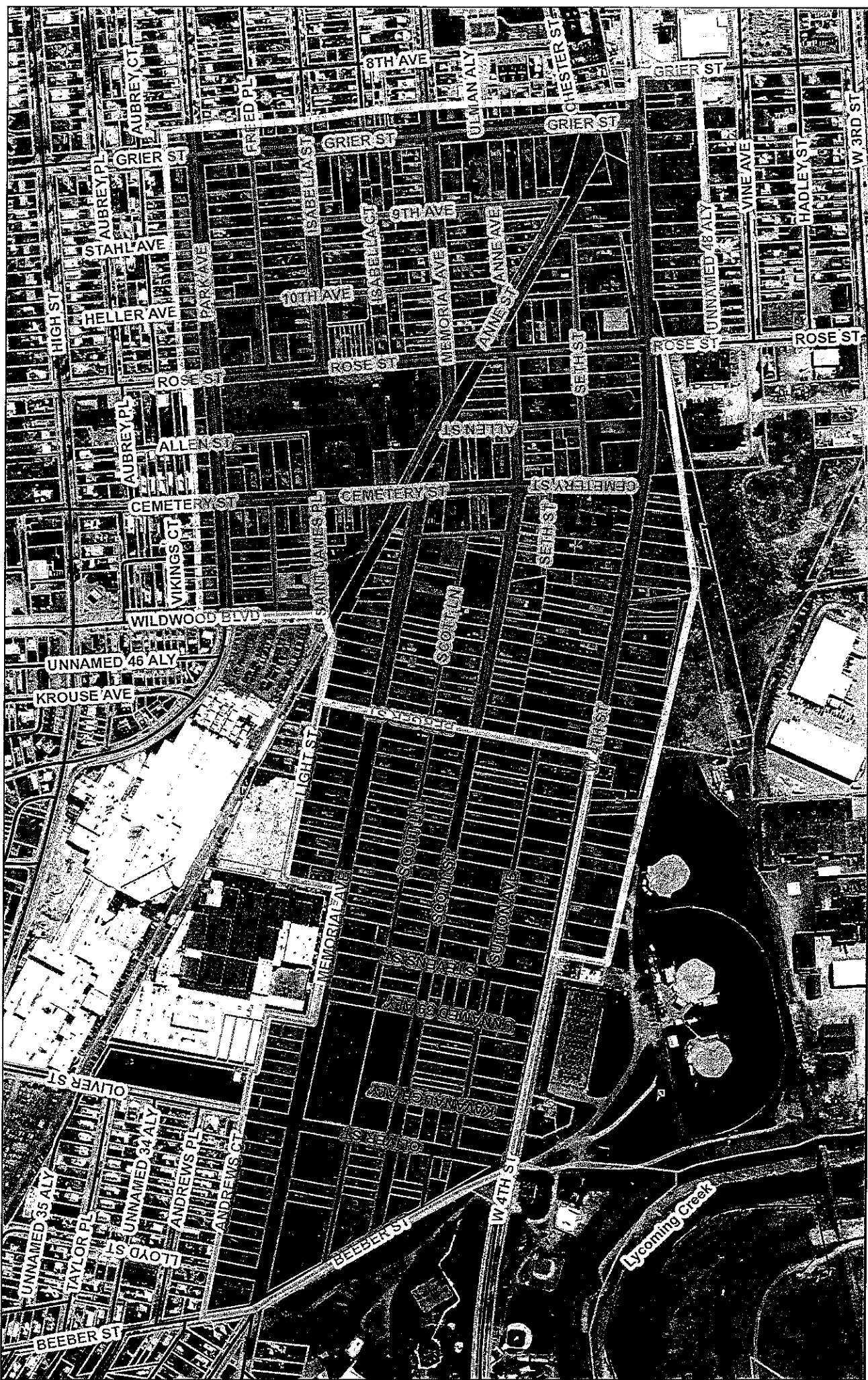
The total construction cost for the project is \$24,852.00. Beckabode, LLC will be responsible for \$3,727.80 (15% of the total cost of the project) and the remainder of the costs will be provided by the PHARE funds in the amount of \$21,124.20.

Beckabode, LLC previously applied for PHARE funds for the rental rehabilitation of 1451-1453 Memorial Ave. The project was approved at total construction cost of \$24,990.00. A mortgage was filed to secure the PHARE funds and terms. All rental rehabilitation work for this location was successfully completed in January 2019.

There are no other pending applications for PHARE funds in the Brodart neighborhood.

If City Council approves proceeding with the application process, the Loan Review Committee will review the application on February 14, 2020, and upon approval by the Loan Review Committee, the application will be reviewed by the Redevelopment Authority on February 26, 2020.

We are requesting City Council action on this resolution of Thursday, February 6, 2020.



Date: 6/21/2016

Brodart Neighborhood Improvement Program (BNIP)

- Project Phases**
- Original BNIP Area
 - BNIP Expansion Area

