

MINUTES

FINANCE COMMITTEE MEETING **(via Zoom webinar)**

February 18, 2021

CALL TO ORDER: 7:12 p.m.

PRESENT: Committee Members: Chairman Vahey-Vice Chairman Winegrad-Carswell
Excused: Myers-Hecker

OTHERS: Finance Director Hermann
Township Manager Manfredi
Manager of Financial Services Embery
Police Lieutenant Porter

CONSIDER APPROVAL OF MINUTES:

Commissioner Vahey made a MOTION, seconded by Commissioner Winegrad to approve the Finance Committee Meeting minutes from January 21, 2021.

MOTION was ADOPTED 3-0.

PRESENTATIONS:

Community Development Block Grant (CDBG) Report:

Ms. Kimberly Hamm, new Director of Community Development of Abington Township, said currently, the Office of Community Development operates under three main programs: CDBG, HOME Investment Partnership, and the Summer Food Service Program (SFSP) known as the Crestmont Summer Lunch Program. Both CDBG and HOME are grant programs originating from the Department of Housing and Urban Development (HUD), and Abington is an entitlement community for this program and administrative guidance also comes from HUD.

CDBG program aims to benefit low-moderate income residents; prevent or eliminate blight; and address other community development needs that may pose an imminent threat to the health and welfare of the community. Projects and activities eligible for this program include community centers, building and rehabilitation of rental property, and rehabilitation and infrastructure improvements.

Abington is a subrecipient of the HOME program through the Pennsylvania Department of Community and Economic Development. Historically, funds received from this program have been used to directly benefit the homeowner occupied rehabilitation program.

The Summer Food Service Program is operated through the U.S. Department of Agriculture and Abington is a subrecipient through the State of Pennsylvania's Department of Education.

Two priority objectives for the CDBG program are amendments to the 2019 Program Year Action Plan related to CARES Act funding and the utilization of current CDBG funds to insure meeting HUD's timeliness standards.

Proposed amendments to the 2019 CDBG Action Plan; the Township can apply for and receive a special round of CDBG funding awarded by the CARES Act, and in total, Abington was awarded \$770,975 to support community development efforts tied to COVID-19 pandemic. HUD has advised to make final application of these funds before June 1, 2021. After review by the Township's consultants in researching other communities' programs related to the CARES Act funding as well as researching Abington's community use; four activities were identified as priority.

The Household Direct Assistance Program provides funding that could be awarded to residents that will go directly to their landlord, mortgage holder or to their utilities. Small Business Forgivable Loan Program helps to ensure that businesses remain viable during this time. Food Pantry Assistance helps to alleviate some of the strain placed on area food pantries, and administrative funds help cover costs for administering the programs.

The secondary reason for the proposed amendments to the 2019 Action Plan is to take advantage of unused funds of the 2019 Program Year for their best and immediate use based on the circumstances. Funds for two activities included in the 2019 Action Plan can be reallocated to activities that are imminent and important to the Township. The reallocation of the 2019 funds allows the Township to meet HUD's timeliness standard and ensure Abington's future participation in the CDBG program.

The rental acquisition activity in the 2019 Action Plan has not seen any expenditures and no property has been identified for acquisition, so it is recommended that these funds be reallocated.

Regarding accessibility improvements at the Ardsley Community Center; there is already an activity listed in the 2019 Action Plan for this project; however, because the cost of construction has increased substantially in the last year, it is recommended to increase this funding for this project to ensure there is enough to cover its completion.

Additionally, research has suggested an increased need for financial literacy training, and due to an increase in service, it is recommended to reallocate funds to support that increase.

Finally, to ensure that the Abington's small businesses remain viable, it is recommended that funds be reallocated so there is adequate access to forgivable loans.

Combined \$75,000 reallocation will eliminate the rental acquisition activity from the 2019 Action Plan. Similarly, the homeowner occupied rehabilitation program activity as it exists in the 2019 Action Plan has not seen any expenditures. As the Township is a subrecipient of the HOME program through DCED, which funds owner occupied rehabilitation projects in the Township, it is recommended that the funds be reallocated for immediate infrastructure improvement activity.

The Township would like to complete these projects as listed in the coming year as weather permits. The reallocation of these funds will eliminate the homeowner occupied rehabilitation projects activity and ensure that the infrastructure projects can be completed this year.

Commissioner Vahey said regarding recommendation of the HOME program to be eliminated from the CDBG budget; is there other funding sources to make owner-occupied home improvements?

Ms. Hamm replied the Township is a subrecipient through DCED's HOME program and \$400,000 will be put forth in this calendar year to support the homeowner occupied rehabilitation program.

Commissioner Vahey clarified that the Township can continue to apply for additional funds from DCED to continue to supplement the funding of that program as needed. Is that correct?

Ms. Hamm replied that is correct.

Commissioner Vahey clarified that recommended amendments apply to funding from a previous fiscal year. Is that correct?

Ms. Hamm replied that is correct. Amendments are recommended to the previous action plan in which its funding year began October 20, 2019 ending September 30, 2020. Funds from the year 2020 have not yet been officially awarded to the Township and an action plan has not been adopted.

Commissioner Vahey asked is there a deadline to spend the funds to comply with the timeliness standard?

Ms. Hamm replied yes. Each year, 60 days prior to a program year, HUD will review the Township's outstanding funds through the program and that is when the timeliness standard applies. August 1, 2021 is the date we would like to have as much activity of expenditures.

Commissioner Vahey clarified that it is recommended to make these changes to meet those timeliness standards? Is that correct?

Ms. Hamm replied yes.

Commissioner Vahey asked for any comments from Commissioners.

Commissioner Winegrad asked for further explanation on funding these programs to assist those in need.

Ms. Hamm replied the Township will establish an application process for each program. For the food pantry, the Township will advertise to the existing food pantries that there is funding available and to please apply and they need to provide evidence that they are a low-moderate income individual, which is a CDBG requirement by HUD. For the small business program, they will need to demonstrate a need and what the funds will be spent on to be in compliance, and the Household Direct Assistance program requires a documented and demonstrated need.

Commissioner Carswell questioned whether there were any funds lost due to not being addressed in a timely manner.

Ms. Hamm replied the CDBG funding is available until the Township addresses it; however, it needs to be utilized in a timely manner, and if timeliness standards are consistently not met, the Township's funding will be reduced going forward.

Commissioner Vahey clarified that no action is needed tonight and there will be a motion to consider at the March Finance Committee meeting. Is that correct?

Ms. Hamm replied that is correct.

NEW BUSINESS:

Finance Committee reviewed financial reports for January 2020 including Clearing Fund; Deferred Revenue/Expense Activity; Petty Cash Balances; Travel Expenses and Statement of Conditions.

Item FC-01-031121:

Commissioner Vahey made a MOTION, seconded by Commissioner Carswell to approve the January 2021 expenditures in the amount of \$2,210,733.97 and salaries and wages in the amount of \$2,869,813.47 and authorize the proper officials to sign vouchers in payment of bills and contracts as they mature through the month of April 2021.

Commissioner Vahey asked for any comments from Commissioners. There were none.

Commissioner Vahey asked for any public comments.

Lora Lehmann, resident, expressed concern about the minutes, and asked for an explanation on letter d. of the agenda.

MOTION was ADOPTED 3-0.

Item FC-02-031121:

Commissioner Vahey called on Manager Manfredi.

Manager Manfredi said Jon Haglund, Consultant with Urban Design Ventures, was invited to speak to the Finance Committee tonight about the scope of services noting that Urban Design Ventures was obtained through a public bidding process.

The agenda item is a motion to consider approving a 12-month contract extension because this contract expires on February 28, 2021, and after legal review, the Township does have the ability to enter into an extension, so the request of the Finance Committee is to recommend to the Board of Commissioners to approve and ratify contract extension with Urban Design Ventures for 12 months from February 28, 2021 to February 28, 2022.

Mr. Haglund said currently, we are working on preparing the Fiscal Year 2020 Annual Action Plan, Consolidated Plan, and the Analysis of Impediments to Fair Housing Choice, which are required by HUD to be prepared every five years. We have previously assisted the Township in creating those same documents along with other required documents. Contract with Urban Design Ventures began three years ago in which there was an RFP process, and we were chosen based on our experience, scope of services and being the lowest bidder. We have assisted the Township to be in compliance with administration management of the CDBG Program. We have also assisted somewhat with the HOME Program; however, the Township is not a direct entitlement community, so the main contact is through DCED providing technical assistance.

Theoretically, the Township's Fiscal Year 2020 Plan should have been submitted by August 1, 2020; however, HUD permitted a one-year window to extend the submission of that plan, so extension of Urban Design Ventures' contract does not include anything that was not outlined in the original contract, but it does provide for a comprehensive scope of services to assist the Township to prepare plans and provide technical assistance.

Commissioner Vahey commented that the Township is fortunate to be a recipient of CDBG funds and additional education about this program will assist the Township in understating how to better use these funds. He is fully onboard with improving the Township's partnership with Urban Design Ventures regarding this program, and he is in favor of the extension.

Manager Manfredi clarified that it would be a 12-month extension and he requested the motion by the Finance Committee to recommend to the Board of Commissioners at its meeting in March to approve and ratify contract extension with Urban Design Ventures from February 28, 2021 to February 28, 2022.

Commissioner Vahey asked for any comments from Commissioners.

Commissioner Winegrad commented that he is in favor of ratification of extension and he looks forward to learning more about the CDBG Program and how the Township can help the community.

Commissioner Carswell agreed with the need for further education, and it is important to provide clarity to the community at-large especially for those who would be impacted the most by these dollars.

Commissioner Vahey asked for any public comments.

Lora Lehmann, resident, expressed concern about the homeowners who have been waiting for rehab dollars and questioned how residents can get a thorough understanding of it. Also, she expressed concern about bids.

Commissioner Vahey made a MOTION, seconded by Commissioner Winegrad to recommend to the Board of Commissioners to amend the existing contract with Urban Design Ventures and approve and ratify a one-year contract extension from February 28, 2021 to February 28, 2022.

MOTION was ADOPTED 3-0.

Item FC-03-031121:

Commissioner Vahey called on Manager Manfredi.

Manager Manfredi explained that a request was made by Ms. Sandra Kaufmann of the Ardsley Daycare Center, through the ward Commissioner, to pay a reduced rent for the months of November and December 2020 due to decreased enrollment related to COVID-19. Ms. Kaufmann has been paying the full amount of rent since January 2021.

Commissioner Vahey asked for any comments from Commissioners.

Commissioner Winegrad clarified that the business is now fully operational, and the full amount of rent is being paid. Is that correct?

Manager Manfredi replied yes, and the request is only for those two months.

Commissioner Vahey made a MOTION, seconded by Commissioner Winegrad to ratify, and approve the reduced fee of rent for the months of November and December 2020 for Sandra Kaufmann, an adult individual having a business address at 2828 Spear Avenue, Ardsley, Pennsylvania, 19038, doing business as Ardsley Daycare Center (“Tenant”).

Commissioner Vahey asked for any public comments.

Lora Lehmann, resident, commented that “she deserves a break.”

MOTION was ADOPTED 3-0.

PUBLIC COMMENTS – general matters relating to Finance:

Lora Lehmann, resident, commented that the rental inspection issue needs financial vetting. Also, she asked for a model on how the Economic Development Corporation will be financially beneficial; and questioned whether residents will be paying for traffic signalization on The Fairway to accommodate the apartments.

ADJOURNMENT: 8:08 p.m.

Respectfully submitted,

Liz Vile, Minutes Secretary