



Office of Mayor Eric Papenfuse
MLK Government Center
10 N. Second St.
Harrisburg, PA 17101

Eric Papenfuse
Mayor
July 14, 2016

(717) 255-3040

I, Eric Papenfuse, Mayor of the City of Harrisburg, Pennsylvania, do hereby veto Bill 14, an ordinance appropriating Community Block Grant funds for fiscal year 2016.

My primary objection is the lack of public process in debating the substantial amendments that were passed by Harrisburg City Council on July 5th. There was no public comment on any of these specific changes, many of which drastically altered the funding amounts requested by the sub-recipients.

Our consolidated plan calls for providing citizens “with the opportunity to comment on substantial amendments.” Council chose not to reveal its proposed changes to the administration or the public until the very last moment, after all public comment and comment from the sub-recipients was over. Council did not know at the time whether all of the sub-recipients even wanted reduced funding or could effectively alter their applications to meet HUD objectives. The Consolidated Plan for the City of Harrisburg says, “Prior to implementing a substantial change, the City of Harrisburg will provide citizens with information on any proposed amendment(s) by publishing a public notice of the proposed amendments....”

Even if one disagrees with what I believe to be the clear intent of this regulation, it is fundamental to our democracy and civic life that our residents have an opportunity to comment on proposals of the governing body before they become law. That did not happen here.

I secondly object to the awarding of a public services grant in the amount of \$35,000 to the Ferguson Group for the performance of public service activities. The Ferguson group is clearly not an eligible sub-recipient and had not even applied for such funding. In my opinion they are not only ineligible as a sub-recipient, but the award creates the appearance of a conflict of interest in that they, as consultants to the City on CDBG and the funding process, have weighed in on the legitimacy of funding themselves. The amount of the award and the specifics of the contract were also certainly not publically vetted, per my concerns in the prior paragraph.

Even if the governing body wants to fund a consulting contract like that proposed by City Council for the Ferguson Group, the public must have faith that that contract was fairly vetted and competitively negotiated. That is clearly not the case here.



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Third, I have grave concerns about the ability of specific sub-recipients that were funded by City Council to perform the federally mandated outcomes that are required of them. Take for instance, the African American Chamber of Commerce, which was awarded \$30,000 without appearing before the public at any of City Council's CDBG hearings to attest to the merits and goals of their application. The City administration believes that, although the Chamber does good work in the community, it does not have the ability to meet the measurable outcomes of job creation promised in its application and required by HUD. The City administration's ranking systems seems to have been completely ignored by Council, and no legitimate ranking system or process – simply mere whim - seems to have replaced it.

Even if the City Council insists on making such funding awards, the public deserves carefully vetted sub-recipient applications and a well-established ranking system, which takes into account the ability of sub-recipients to perform. City Council has failed to perform the necessary due diligence.

Finally, by making changes at the last moment and without consultation with the administration, City Council must not have realized the damage it was doing in reducing the Housing Rehabilitation Programs line item by \$60,000. This money is desperately needed, among other uses, to pay to maintain hundreds of vacant properties throughout the City that are owned by the Redevelopment Authority. The administration had hoped to double funding for that particular line-item to \$100,000 for the next fiscal year, but now, instead, it must either reduce mowing and snow services or reduce the number of houses rehabbed to such a miniscule number that its limited impact would do a great disservice to all those in this City who need CDBG dollars the most.

Even if City Council had a policy disagreement with the administration on this particular program, there should have been a public discussion about what was in the Housing Rehab Program budget before it was slashed.

I remain available to meet with any and all members of City Council to discuss this veto and how we can work together to craft amendments that address the above concerns.

Sincerely,

A handwritten signature in black ink, appearing to be 'EP' with a stylized flourish.

Eric Papenfuse

Mayor