



Legislation Details (With Text)

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Title: To authorize the Director of Development to enter with Mapleside Homes, LLC into an amended loan agreement, amended promissory note, and amended mortgage with Mapleside Homes, LLC for the purpose of allowing no cash flow payment to be made to the City in 2020 for operations in 2019.

Sponsors:

Indexes:

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Attachments:

Date	Ver.	Action By	Action	Result
11/17/2021	1	ACTING CITY CLERK	Attest	
11/16/2021	1	MAYOR	Signed	
11/15/2021	1	COUNCIL PRESIDENT	Signed	
11/15/2021	1	Columbus City Council	Approved	Pass
11/1/2021	1	Columbus City Council	Read for the First Time	

BACKGROUND: Mapleside Homes, LLC received a \$300,000 HOME loan from the City on July 16, 2004 to construct a 24 unit single family scattered site affordable housing development in the Linden and Milo Grogan neighborhoods. The HOME loan made by the City of Columbus generally requires repayment based on cash flow as defined in the operating agreement. In April 2020, the Housing Division reached out to project owners who had not yet made a cash flow payment in 2020 to allow them, upon request, to defer making the payments.

Due to the sudden onset of COVID and the loss of many jobs due to shut downs, affordable rental projects like Mapleside were negatively impacted with the loss of rental collections. While rental assistance has been provided, there has been delay between when the income loss occurred and the rental assistance is provided. For Mapleside Homes, the request is to waive the \$264 cash flow payment from 2020 and allow the property to retain the funds to help absorb shortfalls. Mapleside's managing member, an affiliate of Homeport, has waived all late payments and worked with residents and other agencies to assist obtaining rental assistance. No one from Mapleside was evicted for non-payment of rent since the COVID emergency began.

Contract Compliance: The vendor number is 035743 and expires 5-11-23

Fiscal Impact: There will be a loss of up to \$264 in HOME interest receivables.

To authorize the Director of Development to enter with Mapleside Homes, LLC into an amended loan agreement, amended promissory note, and amended mortgage with Mapleside Homes, LLC for the purpose of allowing no cash flow payment to be made to the City in 2020 for operations in 2019.

WHEREAS, on July 16, 2004, Mapleside Homes, LLC received a \$300,000 HOME loans from the City of Columbus to construct 24 units of affordable scattered site single family homes in the Linden and Milo Grogan neighborhoods; and

WHEREAS, among the loan terms was a requirement to make payments on the loan to the City of Columbus based on cash flow from the operation of the development; and

WHEREAS, in 2020, the project determined that \$264 of available cash flow should be paid to the City based on operations in 2019; and

WHEREAS, due to the COVID-19 emergency declared in March 2020, rental collections from low and moderate income tenants decreased significantly because of loss of income; and

WHEREAS, Mapleside Homes, LLC requested consent from the City to retain the cash flow to cover operational shortfalls due to loss of income and the time delay in obtaining rental assistance; and

WHEREAS, since the start of the pandemic, no tenant of Mapleside Homes, LLC has been evicted for nonpayment of rent; and

NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

Section 1. That the Director of Development be and is hereby authorized to enter with Mapleside Homes, LLC into an amended loan agreement, amended promissory note, and amended mortgage for the purpose of allowing no cash flow payment to be to the City in 2020 for operations in 2019.

Section 2. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.