



Legislation Text

File #: 3071-2017, **Version:** 1

BACKGROUND: Since 2014, the City of Columbus Land Bank Program and the County's Land Bank entity, the Central Ohio Community Improvement Corporation (COCIC), have worked in close partnership to identify and target residential structures for demolition under the Neighborhood Improvement Program (NIP). With the adoption of Ordinance 2323-2016 on October 7, 2016, City Council authorized the Director of the Department of Development to contribute \$250,000 toward expediting tax foreclosures to acquire vacant and tax delinquent properties for the Program. The funds were combined with \$500,000 from the Franklin County Treasurer and \$250,000 from COCIC to initiate the foreclosure on 430 properties, to date. As of November, 2017 the land banks have received a total of 209 structures. However, the City Land Bank Program has been able to save over half of the structures acquired to resell for renovation, thereby requiring the need to pursue additional vacant and blighted properties. This legislation will allow the City to spend another \$450,000 and continue this initiative into 2018. The City anticipates the future reimbursement for each dollar spent toward these foreclosures, either as a grant reimbursement after demolition through NIP or through the future sale of a structure for renovation.

FISCAL IMPACT: Funds are available in the Development Taxable Bonds Fund. (\$450,000).

EMERGENCY JUSTIFICATION: Emergency action is requested in order to continue ongoing activities to target and demolish vacant and blighted properties.

To authorize the Director of the Department of Development to continue the agreement with the Central Ohio Community Improvement Corporation to spend \$450,000.00 to acquire vacant properties for the Neighborhood Improvement Program and the City's Land Reutilization Program; and to declare an emergency. (\$450,000.00)

WHEREAS, since 2014, the Ohio Housing Finance Agency awarded the Central Ohio Community Improvement Corporation (COCIC) over \$22 million dollars in grants to demolish residential structures within Franklin County under the Neighborhood Improvement Program (NIP) and establishes various expenditure deadlines in 2018 and 2019; and

WHEREAS, by Ordinance 2024-2014, Council authorized the Director of the Department of Development to transfer properties and amend the Master Memorandum of Agreement between the City and COCIC to implement the NIP; and

WHEREAS, the City Land Bank Program is working in partnership with COCIC to identify and acquire demolition eligible properties and make such properties eligible for demolition under the NIP; and

WHEREAS, the Franklin County Treasurer and COCIC entered into an agreement to sell Tax Certificates of vacant and abandoned properties to COCIC for the purpose of acquiring the properties for demolition under the NIP; and

WHEREAS, by Ordinance 2323-2016 the Land Redevelopment Office amended the Master Memorandum of Agreement between the land bank programs by adding Addendum F- Reimbursement of Tax Foreclosures and Other Real Estate Costs, to spend up to \$250,000 to acquire vacant property; and

WHEREAS, since the adoption of Ordinance 2323-2016, the land banks have purchased the tax liens and initiated the tax foreclosure on 430 properties, receiving 209 properties as of November; and

WHEREAS, since a higher percentage of the properties acquired for the NIP are being taken out of the program to sell for renovation, additional properties are needed to implement the NIP; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development in that it is immediately necessary to authorize the Director of the Department of Development to continue the agreement with the Central Ohio Community Improvement Corporation to acquire properties for the NIP before the deadlines imposed by Ohio Housing Finance Agency, all for the preservation of the public health, peace, property, safety and welfare; and **NOW THEREFORE**,

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

SECTION 1. That the Director of the Department of Development is hereby authorized to continue the agreement to reimburse tax foreclosure and other real estate costs as contained in the Master Memorandum of Understanding, Attachment F, between Central Ohio Community Improvement Corporation and the City of Columbus.

SECTION 2. That, for the purpose stated in Section 1, the expenditure of \$450,000 or so much thereof as may be needed, is hereby authorized in Fund 7739 Development Taxable Bonds Fund in Object Class 06 Capital Outlay per the accounting codes in the attachment to this ordinance.

SECTION 3. That the City Auditor is authorized to make any accounting changes to revise the funding source for any contract or contract modification associated with this ordinance.

SECTION 4. That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated, and the City Auditor shall establish such accounting codes as necessary.

SECTION 5. That the City Auditor is hereby authorized to transfer the unencumbered balance in a project account to the unallocated balance account within the same fund upon receipt of certification by the Director of the Department administering said project that the project has been completed and the monies are no longer required for said project.

SECTION 6. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after passage and approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.