



Legislation Text

File #: 2390-2012, **Version:** 1

BACKGROUND: In March, 2012, Ohio Attorney General Mike DeWine announced the Move Ohio Forward Grant Program to award up to \$75 million to demolish vacant, abandoned and blighted properties. The program required a County Land Reutilization Corporation to submit an application for the funds which were allocated to each County on a formula basis. With the assistance of the Land Redevelopment Office, the Central Ohio Community Improvement Corporation submitted an application for up to \$8.2 million for Franklin County. In July, 2012, the request was approved, allowing the City of Columbus to receive up to \$5.8 million for demolitions. The City will use the funds to help implement Mayor Michael Coleman's Vacant and Abandoned Property Initiative to demolish abandoned residential structures.

FISCAL IMPACT: The Grant will reimburse the City for 50% of eligible demolition costs for residential structures, up to a total of \$5,800,305. This ordinance will accept the grant and appropriate grants funds up to the amount for which we have match funds available.

EMERGENCY JUSTIFICATION: Emergency action is requested in order to allow reimbursements to start as soon as possible.

To authorize the Director of the Department of Development to enter into agreement with the Central Ohio Community Improvement Corporation to receive up to \$5,800,305 under the Move Ohio Forward Grant Program; to authorize the transfer of \$3,189,041.08 (cash) from the Housing Preservation Fund to the General Government Grant Fund; to authorize the appropriation of \$6,728,082.16 within the General Government Grant Fund; and to declare an emergency. (\$6,728,082.16)

WHEREAS, in March, 2012, the Ohio Attorney General, along with several other State Attorney Generals and the United States Department of Housing and Urban Development agreed on a \$330 million dollar settlement with five of the nation's largest mortgage services over foreclosure abuses, fraud, and unfair and deceptive mortgage practices. The Ohio Attorney General received \$93 million and allocated \$75 million for the Moving Ohio Forward Grant Program to demolish vacant, abandoned and blighted properties; and

WHEREAS, the Central Ohio Community Improvement Corporation submitted an application for a total of \$8,203,091 to demolish structures within Franklin County, an amount allocated by formula to the County, and

WHEREAS, the City of Columbus will receive up to \$5,800,305 to reimburse the City for 50% of the eligible costs to demolish residential properties; and

WHEREAS, under the application, the City of Columbus pledged to spend up to \$5,450,305 to demolish residential structures by December, 2014, an expenditure appropriated or anticipated under the Vacant and Abandon Properties Program and other pending demolitions; and

WHEREAS, an emergency exists in the Department of Development in that it is immediately necessary to enter into said contract in order to allow reimbursements to start as soon as possible, 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 enter into an agreement with the Central Ohio Community Improvement Corporation to receive up to \$5,800,305 under the Move Ohio Forward Grant Program. The funds will be used to reimburse the City for eligible costs associated with the demolition of residential structures.

Section 2. That the transfer of cash (\$3,189,041.08) be and is hereby authorized as follows, effective upon the receipt of the executed grant agreement:

FROM:

Fund/Project/Project Name/OL 01-03/OCA/Amount

782/782004/100000/Vacant Housing Demolition/10-5501/\$2,207,041.08

Fund/Grant/Grant Name/OL 01-03/OCA/Amount

220/441203/100000/Poindexter Tower Demolition/10-5501/\$982,000

TO:

Fund/Grant/Grant Name/OL 01-03/OCA/Amount

220/to be determined/to be determined/80-0886/to be determined/\$3,189,041.08

Section 3. That the sum of \$6,728,082.16 be and is hereby appropriated from the unappropriated balance of the General Government Grant Fund, Fund 220, and from all monies estimated to come into said fund from any and all sources appropriated and un-appropriated for any other purpose during the fiscal year ending December 31, 2012, to the Department of Development, Administration Division, Division No. 44-01, as follows:

Object Level One 01/Object Level Three 1101/Amount \$70,000.00

Object Level One 03/Object Level Three 3292/Amount \$6,658,082.16

With the OCAs and grant codes to be issued by the City Auditor upon award of said grant and appropriation will be effective upon receipt of executed grant agreement.

Section 4. That the balances of the following documents will be moved from Fund 782 to Fund 220 (Move Ohio Forward Grant to be determined by Auditor) and any expenditures already made against the documents reversed in Fund 782 and re-posted in Fund 220 to constitute City match in an amount not to exceed \$1,707,041.08:

- EL-013505 R3
- EL-013506 Hina
- EL-013511 Lowendick
- EL-013510 B & B Wrecking
- EL-013509 Watson General Contracting
- EL-013507 Ransom

Section 5. That \$982,000 of the existing balance of the following document will be transferred from Fund 220 Grant 441203 to Fund 220 (Move Ohio Forward Grant to be determined by Auditor) and any expenditures already made against the document reversed in Grant 441203 and re-posted in the grant to be determined by the Auditor to constitute City match:

EL-013043 Homrich, Inc. \$982,000

Section 6. At the end of the grant period, any repayment of unencumbered balances required by the grantor is hereby authorized and any unused City match monies may be transferred back to the City fund from which they originated in accordance with all applicable grant agreements.

Section 7. Funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated.

Section 8. 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.