



Legislation Details (With Text)

File #: 0833-2015 **Version:** 1

Type: Ordinance **Status:** Passed

File created: 3/16/2015 **In control:** Development Committee

On agenda: 3/30/2015 **Final action:** 4/2/2015

Title: To authorize the Director of the Department of Development to release the recorded mortgage interests of the City of Columbus on loans made through the HOME Fund and Community Development Block Grant (CDBG) Fund for the YWCA Residential Limited Partnership; and to declare an emergency.

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
4/2/2015	1	ACTING CITY CLERK	Attest	
4/1/2015	1	MAYOR	Signed	
3/30/2015	1	COUNCIL PRESIDENT	Signed	
3/30/2015	1	Columbus City Council	Approved	Pass

BACKGROUND: This legislation releases and forgives the recorded mortgage interests and restrictions of the City of Columbus on the YWCA Residential Limited Partnership loans. Two loans were made with funds from the HOME Investment Partnerships Program (HOME), and one with Community Development Block Grant (CDBG) funds through the City of Columbus, Department of Development. The loans were made in February of 1995 to the YWCA for renovation of single room occupancy units and facilities for low-income women. A total of One Million, Six Hundred Sixty-Two Thousand, and Five Hundred Dollars (\$1,662,500.00) was given in three loans. The three loans required the units be rented as low-income housing for 20 years. The 20 year term has now expired.

The HOME funds included two loans, one for Four Hundred Thirty-Seven Thousand, Five Hundred Dollars (\$437,500.00) at 8.05% interest rate, and Two Hundred Twenty-Five Thousand Dollars (\$225,000.00) at 1.00% interest rate, both to be paid at maturity. In addition, a One Million Dollar (\$1,000,000.00) loan of CDBG funds was made with comparable terms.

Emergency action is requested to allow for renovations of the building to begin as soon as possible.

FISCAL IMPACT: No funding is required for this legislation. There will be a reduction in accounts receivable of \$662,500.00, plus \$751,085.34 in interest, for the HOME Funds and \$1,000,000.00, plus \$201,397.59 in interest, for the Community Development Block Grant Funds. This constitutes a total reduction of accounts receivable of \$2,614,982.93 for the three loans.

To authorize the Director of the Department of Development to release the recorded mortgage interests of the City of Columbus on loans made through the HOME Fund and Community Development Block Grant (CDBG) Fund for the YWCA Residential Limited Partnership; and to declare an emergency.

WHEREAS, the Department of Development has outstanding loan balances, dating back to 1995, totaling \$1,662,500.00 in principal and \$952,482.93 in interest to the YWCA Residential Limited Partnership for the rehabilitation of the YWCA low-income residences at 65 South Third Street, located in Columbus, Ohio; and

WHEREAS, this legislation releases and forgives the recorded mortgage interests of the City of Columbus in the YWCA Residential Limited Partnership low-income women's housing units; and

WHEREAS, these loans were made through the HOME Funds totaling \$662,500.00 in principal and \$751,085.34 in interest and Community Development Block Grant (CDBG) Funds totaling \$1,000,000.00 in principal and \$201,397.59 in interest through the City of Columbus, Department of Development; and

WHEREAS, no funding is required by this legislation but there will be a reduction in accounts receivable for the HOME Fund of \$1,413,585.34 and Community Development Block Grant Fund of \$1,201,397.59; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development, Housing Division, in that it is immediately necessary to release the recorded mortgage interests of the City of Columbus on loans made through the HOME Fund and Community Development Block Grant Fund for the YWCA Residential Limited Partnership, to allow for renovations of the building to begin as soon as possible, thereby preserving 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 be and is hereby authorized to release the mortgage interests and restrictions of the City of Columbus on loans made through the HOME Fund and Community Development Block Grant (CDBG) Fund for the YWCA Residential Limited Partnership.

SECTION 2. 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 its approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.