



Legislation Details (With Text)

File #: 0267-2021 **Version:** 1

Type: Ordinance **Status:** Passed

File created: 1/28/2021 **In control:** Housing Committee

On agenda: 2/8/2021 **Final action:** 2/11/2021

Title: To authorize the appropriation and expenditure of up to \$35,000.00 of the 2020 HOME Investment Partnerships Program (HOME) program income and to authorize the Director of the Department of Development to enter into a HOME commitment letter, loan agreement, promissory note, mortgage, and restrictive covenant with individual homebuyers who access the American Dream Downpayment Assistance (ADDI) program; and to declare an emergency. (\$35,000.00)

Sponsors:

Indexes:

Code sections:

Attachments: 1. ORD0267-2021 2021-01-28 Housing ADDI HOME

Date	Ver.	Action By	Action	Result
2/11/2021	1	CITY CLERK	Attest	
2/10/2021	1	MAYOR	Signed	
2/10/2021	1	CITY CLERK	Attest	
2/8/2021	1	COUNCIL PRESIDENT	Signed	
2/8/2021	1	Columbus City Council	Approved	Pass

BACKGROUND: This ordinance authorizes the appropriation and expenditure of up to \$35,000.00 of the 2020 HOME Investment Partnerships Program (HOME) program income and authorizes the Director of the Department of Development to enter into a HOME commitment letter, loan agreement, promissory note, mortgage, and restrictive covenant with individual homebuyers who access the American Dream Downpayment Assistance (ADDI) program.

The City of Columbus provides down payment assistance of HOME funds to first time homebuyers whose household income is at or below 80% AMI for purchase of a home in the City of Columbus or Columbus City School District. The amount of assistance provided is the lesser of 6% of the purchase price or \$5,000.00 and is provided as a forgivable loan. The household must remain in the home for a period of five years for the loan to be forgiven. It is estimated that seven to eight new homebuyers will be assisted with these funds. Additional funds may be encumbered at a later date in 2021 for this program.

This legislation represents appropriation for the HOME portion of the 2021 Action Plan, per Ordinance 2345-2020.

Emergency action is requested to be in compliance with U.S. Department of Housing and Urban Development (HUD) HOME rules on the obligation of HOME program income and to allow those seeking down payment assistance to obtain it in a timely manner.
FISCAL IMPACT: \$35,000.00 of 2020 HOME program income is available in grant G451903 for these agreements.

To authorize the appropriation and expenditure of up to \$35,000.00 of the 2020 HOME Investment Partnerships Program (HOME) program income and to authorize the Director of the Department of Development to enter into a HOME commitment letter, loan agreement, promissory note, mortgage, and restrictive covenant with individual homebuyers who access the American Dream Downpayment Assistance (ADDI) program; and to declare an emergency. (\$35,000.00)

WHEREAS, the City is a participating jurisdiction of the U.S. Department of Housing and Urban Development; and

WHEREAS, the City is the recipient of HOME Investment Partnerships funds from the U.S. Department of Housing and Urban

Development; and

WHEREAS, the City receives repayment of HOME funded loans given to developers and homebuyers and when these funds are returned, they are considered 'program income' and shall be used by the City for HOME eligible expenses; and

WHEREAS, City Council has approved the 2021 Action Plan, per Ordinance 2345-2020, as required by HUD; and

WHEREAS, it is necessary to appropriate and expend funds from the 2020 HOME Fund for eligible expenses and American Dream Down payment projects are eligible expense; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development in that it is immediately necessary to be in compliance with U.S. Department of Housing and Urban Development (HUD) HOME rules on the obligation of HOME program income and to allow those seeking down payment assistance to obtain it in a timely manner, 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 from the unappropriated monies and from all monies estimated to come into said fund from any and all sources and unappropriated for any other purpose during the fiscal year ended December 31, 2021, the sum of \$35,000.00 is appropriated in Fund 2201 (HOME), from Dept-Div 44-10 (Housing), G451903 (2020 HOME), object class 05 (Other Expenses) per the account codes in the attachment to this ordinance.

SECTION 2. That the expenditure of \$35,000.00 or so much thereof as may be needed, is hereby authorized in Fund 2201 (HOME), Dept-Div 4410 (Housing), G451903 (2020 HOME), object class 05 (Other Expenses) per the account codes in the attachment to this ordinance.

SECTION 3. That the Director of Development is hereby authorized to enter into a HOME commitment letter, loan agreement, promissory note, mortgage, and restrictive covenant with individual homebuyers who access the American Dream Down payment Assistance (ADDI) program.

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

SECTION 5. That the City Auditor is authorized to make any accounting changes to revise the funding source for all contracts or contract modifications associated with this ordinance.

SECTION 6. That, 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. 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.