



Legislation Details (With Text)

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Type: Ordinance **Status:** Passed

File created: 4/12/2021 **In control:** Housing Committee

On agenda: 4/26/2021 **Final action:** 4/29/2021

Title: To amend the 2020 Capital Improvement Budget; to authorize the City Auditor to transfer funds within the Housing Preservation Bond Fund; to authorize the expenditure of up to \$770,000.00 of Housing Preservation Bonds; to authorize the Director of Development to enter into multiple grant agreements with recipients, including non-profit and for-profit developers and/or builders, of the Department of Development, Division of Housing's Homeownership Development Program; to authorize the Director to modify the grant agreements funded from this ordinance as may be necessary in order to complete the project; and to declare an emergency. (\$770,000.00) (AMENDED BY ORD. 2468-2021; PASSED 10/11/2021)

Sponsors:

Indexes:

Code sections:

Attachments: 1. ORD0966-2021 2021-04-08 Housing Homeownership Development Program BOND

Date	Ver.	Action By	Action	Result
4/29/2021	1	CITY CLERK	Attest	
4/28/2021	1	MAYOR	Signed	
4/26/2021	1	COUNCIL PRESIDENT	Signed	
4/26/2021	1	Columbus City Council	Approved	Pass

BACKGROUND: This ordinance authorizes the Director of Development to enter into grant agreements with recipients of the Department of Development, Division of Housing's Homeownership Development Program for purpose of providing development and affordability assistance to non-profit organizations constructing or rehabilitating affordable housing. The Department desires to encumber \$770,000.00 of bond funds for this program and will enter into multiple agreements under the authority of this ordinance.

The Homeownership Development Program (HDP) is designed to redevelop residential homes and residential properties either for sale as homeownership opportunities or for short term lease purchase (up to 36 months) within the city of Columbus. The program provides development and affordability gap financing based on need but not to exceed a total of \$60,000.00 per unit in the form of a deferred forgivable loan. The City may consider larger gap financing amounts only if there are extraordinary circumstances and other financing sources cannot address the full gap.

The Homeownership Development Program (HDP) provides an incentive for non-profit and for-profit developers and/or builders to rehabilitate or construct quality homes to AWARE standards available for sale at an affordable price for income qualified homebuyers. As the program has evolved, the department has learned that some HDP projects are more involved than originally expected, resulting in additional costs unanticipated by the Developer and the City. As such, the Director is also seeking authority to modify HDP contracts as issues are discovered, up to the amount of funds remaining on the ACPO. This will allow the department to immediately authorize the additional work needed without stopping work to seek Council approval for a contract modification.

Emergency action is requested to prevent disruption in the Homeownership Development Program.

Fiscal Impact: \$770,000.00 is available in the 2020 Capital Improvement Budget, Housing Preservation bond fund. An amendment to the 2020 Capital Budget is required to establish sufficient budget authority for the project.

To amend the 2020 Capital Improvement Budget; to authorize the City Auditor to transfer funds within the Housing Preservation Bond Fund; to authorize the expenditure of up to \$770,000.00 of Housing Preservation Bonds; to authorize the Director of Development to enter into multiple grant agreements with recipients, including non-profit and for-profit developers and/or builders, of the Department of Development, Division of Housing's Homeownership Development Program; to authorize the Director to modify the grant agreements funded from this ordinance as may be necessary in order to complete the project; and to declare an emergency. (\$770,000.00) (AMENDED BY ORD. 2468-2021; PASSED 10/11/2021)

WHEREAS, the Director of the Department of Development desires to encumber \$770,000.00 of bond funds for the Division of Housing's Homeownership Development Program; and

WHEREAS, under the Homeownership Development Program, the City provides development and affordability assistance to non-profit organizations constructing or rehabilitating affordable housing; and

WHEREAS, the Director is also seeking authority to modify Homeownership Development grant agreements as issues are discovered, up to the amount remaining on the ACPO. This will allow the department to immediately authorize the additional work needed without stopping work to seek Council approval for a grant agreement modification; 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 to enter into grant agreements in order to prevent disruption in the Homeownership Development Program, 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 2020 Capital Improvements Budget authorized by ordinance 2521-2020 be amended as follows to establish sufficient authority for this this project:

Fund / Project / Project Name / C.I.B. / Change / C.I.B. as Amended

7739 / P782001-100000 / Housing Preservation / \$1,600,000.00 / (\$770,000.00) / \$830,000.00

7739 / P782024-100000 / Homeownership Development / \$0.00 / \$770,000.00 / \$770,000.00

SECTION 2. That the transfer of \$770,000.00 or so much thereof as may be needed, is hereby authorized within Fund 7739 (Housing Preservation), Dept-Div 44-10 (Housing) per the account codes in the attachment to this ordinance.

SECTION 3. That for the purpose as stated in Section 4, the expenditure of \$770,000.00, or so much thereof as may be necessary, is hereby authorized in fund 7739 (Housing Preservation), Project P782024-100000, Dept. 44-10 (Housing), in Object Class 06 (Capital Outlay) per the accounting codes in the attachment to this ordinance.

SECTION 4. That the Director of Development be and is hereby authorized to enter into multiple grant agreements with recipients, including non-profit and for-profit developers and/or builders, of the Department of Development, Division of Housing's Homeownership Development Program and to modify the grant agreements funded from this ordinance as necessary to complete the project, up to the amount remaining on this ACPO.

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