



## Legislation Text

**File #:** 0828-2021, **Version:** 1

**BACKGROUND:** This ordinance authorizes the Director of Development to enter into agreements totaling \$1,500,000.00 with Community Housing Network Inc. for the Touchstone Place I project. One set of agreements that include a commitment letter, loan agreement, pledge agreement, promissory note, mortgage, and restrictive covenant will be funded by the 2020 HOME Investment Partnerships Program (HOME) entitlement grant from the U.S. Department of Housing and Urban Development in an amount up to \$500,000.00. The other agreement, up to \$1,000,000.00, will be funded by Affordable Housing Taxable bond funds.

The Touchstone Field Place I project is a recipient of Low Income Housing Tax Credits from the Ohio Housing Finance Agency for this permanent supportive housing project (PSH) on the south side of Columbus. The project is new construction and consists of fifty-six (56) one-bedroom units with onsite supportive services for those who face homelessness due to mental illness and substance addictions. This development hopes to house some of the individuals who currently reside in the downtown YMCA building who will be relocated before the building is sold. There will be at least two HOME funding assisted units included in this project.

The lead entity in the project is Community Housing Network (CHN), working in partnership with Ohio Capital Corporation for Housing as the equity investor. CHN was founded in 1987 and provides permanent supportive housing for individuals who are challenged with mental health conditions, addiction disorders, and histories of homelessness. PSH is housing with linkages to services that help residents successfully maintain housing and rebuild their lives.

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

Emergency action is requested to allow for the developer to maintain the project schedule.

**Contract Compliance:** the vendor number is 004867 and expires 4/2/2021.

**Fiscal Impact:** \$500,000.00 is available from the 2020 HOME grant (G451903) and \$1,000,000.00 is available in the 2020 Capital Improvement Budget, Affordable Housing Taxable bond fund. An amendment to the 2020 Capital Budget is required to establish sufficient budget authority for the project.

To authorize the appropriation and expenditure of up to \$500,000.00 of 2020 HOME Investment Partnerships Program (HOME) grant from the U.S. Department of Housing and Urban Development; to authorize the Director of Development to enter into a commitment letter, loan agreement, pledge agreement, promissory note, mortgage, and restrictive covenant with Community Housing Network Inc. in an amount up to \$500,000.00 for the Touchstone Field Place I project; to amend the 2020 Capital Improvement Budget; to authorize the City Auditor to transfer funds within the Affordable Housing Bond Fund; to authorize the expenditure of up to \$1,000,000.00 of Affordable Housing Bonds; to authorize the Director of Development to enter into a grant agreement with Community Housing Network Inc. in an amount up to \$1,000,000.00 for the Touchstone Field Place I project; and to declare an emergency. (\$1,500,000.00)

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

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

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

**WHEREAS,** there will be at least two HOME-assisted units in the project; and

**WHEREAS**, the project will consists of fifty-six (56) one-bedroom units with onsite supportive services for those who face homelessness due to mental illness and substance addictions; and

**WHEREAS**, the Director of Development requests authority to execute two sets of agreements, one set funded by HOME funds and a grant agreement funded by bond funds; and

**WHEREAS**, an emergency exists in the usual daily operation of the Department of Development in that it is immediately necessary to appropriate and expend said funds to allow for the developer to maintain the project schedule, thereby preserving the public health, peace, property, safety, and welfare; **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 ending December 31, 2021, the sum of \$500,000.00 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 \$500,000.00, 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 commitment letter, loan agreement, pledge agreement, promissory note, mortgage, and restrictive covenant with Community Housing Network Inc. in an amount up to \$500,000.00 for the Touchstone Field Place I project.

**SECTION 4.** 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 5.** That the 2020 Capital Improvements Budget authorized by ordinance 2521-2020 be amended as follows to establish sufficient authority for this project:

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

7779 / P782012-100000-/ Affordable Housing Funds / \$10,250,000.00 / (\$1,000,000.00) / \$9,250,000.00

7779 / P782022-100000 / Touchstone / \$0.00 / \$1,000,000.00 / \$1,000,000.00

**SECTION 6.** That the transfer of \$1,000,000.00, or so much thereof as may be needed, is hereby authorized within Fund 7779 (Affordable Housing Fund), Dept-Div 44-10 (Housing) per the account codes in the attachment to this ordinance.

**SECTION 7.** That for the purpose as stated in Section 8, the expenditure of \$1,000,000.00, or so much thereof as may be necessary, is hereby authorized in fund 7779 (Affordable Housing Fund), Project 782022-100000, Dept. 44-10 (Housing), in Object Class 06 (Capital Outlay) per the accounting codes in the attachment to this ordinance.

**SECTION 8.** That the Director of Development be and is hereby authorized to enter into a grant agreement, in an amount up to \$1,000,000.00, with Community Housing Network Inc. for the Touchstone Field Place I project.

**SECTION 9.** 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 10.** 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 11.** 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 12.** 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.