



Legislation Text

File #: 1251-2021, **Version:** 1

BACKGROUND

This legislation authorizes the Director of the Department of Development to enter into a Housing Development Agreement (HDA) and a Grant Agreement with MHP Sinclair Family Apartments, Inc. for the Sinclair Family Apartments project.

The HDA would memorialize the City's desired commitment to the project, pending City Council approval and current and future availability of funds. The Department of Development wishes to support this project by contributing \$4,350,000.00 of bond funds over two years, \$2,175,000.00 from the 2020 Capital Budget and \$2,175,000.00 from the 2021 Capital Budget. This legislation would authorize the Director of Development to first execute the HDA and then a Grant Agreement in the amount \$2,175,000.00 funded from the 2020 Capital Budget. Pending the availability of funding in the 2021 Capital Budget, the department will seek City Council's approval for a planned agreement modification.

The Sinclair Family Apartments projects is the result of a public-private partnership between the Columbus Metropolitan Housing Authority (CMHA) and The NRP Group that will bring desperately needed, high-quality, affordable housing units to the City of Columbus. The fund recipient, MHP Sinclair Family Apartments, Inc., is wholly owned by CMHA. The grants will be provided to MHP Sinclair Family Apartments, Inc. who, in turn, will loan the funds to the developers to cover development costs. Sinclair Family Apartments will provide 180 units of affordable housing in the Sharon Heights neighborhood of Columbus, located at 5055 Sinclair Avenue, on what is currently the Alrosa Villa property, formerly a popular live music venue.

The project will consist of three, 4-story buildings and a total of 180 one, two, three, and four-bedroom units that will serve residents at a variety of income levels - 30%, 50%, and 60% of the area median income. The goal of this project is to expand the income levels of the individuals served, up to 80% of the area median income, but additional guidance under the low income housing tax credit program is needed before that can be confirmed. This project will provide homes for the many families in Columbus who are currently unable to afford high-quality rental options.

This project sits 7 miles north of downtown, which is served by an active bus line that will connect residents of Sinclair Family Apartments to important community amenities. The project site is less than two miles from the rapidly growing Clintonville neighborhood and is surrounded by amenities such as Target, Kroger, Saraga International Grocery, several parks, and dozens of restaurants at a variety of price points. These amenities will both benefit the residents of Sinclair Family Apartments and will serve as potential employment opportunities. Residents are also just a short commute from thousands of jobs in downtown Columbus as well.

By providing project-based vouchers to the project, CMHA is helping to ensure that Sinclair Family Apartments becomes a true mixed-income community that serves individuals and families at a variety of affordability levels. As co-owners of the project, both CMHA and the NRP Group are committed to working together to address the affordable housing crisis in Columbus and to building high quality homes that people can be proud of regardless of their income level.

Emergency action is requested in order to maintain the project schedule.

FISCAL IMPACT: Funding is available in 2020 Capital Improvement Budget. An amendment to the 2020 Capital Budget is required to establish sufficient budget authority for the project.

CONTRACT COMPLIANCE: the vendor number is 035544 and expires 4/22/2023.

To amend the 2020 Capital Improvement Budget; to authorize the City Auditor to transfer funds within the Affordable Housing Bond Fund; to authorize the Director of Development to enter into a Housing Development Agreement and a Grant Agreement in an amount up to \$2,175,000.00 with MHP Sinclair Family Apartments, Inc. for the Sinclair Family Apartments project; to authorize the expenditure of up to \$2,175,000.00 from the Affordable Housing Bond Fund; and to declare an emergency. (\$2,175,000.00)

WHEREAS, the Director of Development seeks to enter into a Housing Development Agreement (HDA) and a Grant Agreement with MHP Sinclair Family Apartments, Inc. for the Sinclair Family Apartments project; and

WHEREAS, the HDA would memorialize the City's desired commitment to the project, pending City Council approval and current and future availability of funds; and

WHEREAS, The Department of Development wishes to support this project by contributing \$4,350,000.00 of bond funds over two years, \$2,175,000.00 from the 2020 Capital Budget and \$2,175,000.00 from the 2021 Capital Budget; and

WHEREAS, this legislation would authorize the Director of Development to first execute the HDA and then a Grant Agreement in the amount \$2,175,000.00 funded from the 2020 Capital Budget. Pending the availability of funding in the 2021 Capital Budget, the department will seek City Council's approval for a planned agreement modification; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development to pass this ordinance as emergency in order 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 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 / \$5,690,000.00 / (\$2,175,000.00) / \$3,515,000.00

7779 / P782028-100000 / Sinclair / \$0.00 / \$2,175,000.00 / \$2,175,000.00

SECTION 2. That the transfer of \$2,175,000.00, 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 3. That for the purpose as stated in Section 4, the expenditure of \$2,175,000.00, or so much thereof as may be necessary, is hereby authorized in fund 7779 (Affordable Housing Fund), Project 782028-100000, 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 first enter into a Housing Development Agreement and then a Grant Agreement, in an amount up to \$2,175,000.00, with MHP Sinclair Family Apartments, Inc. for the Sinclair Family Apartments project.

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. That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated, 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.