



Legislation Text

File #: 1816-2022, **Version:** 1

BACKGROUND: This ordinance authorizes the appropriation and expenditure of up to \$600,000.00 of the 2020 and 2021 HOME Investment Partnerships Program (HOME) entitlement grant funds from the U.S. Department of Housing and Urban Development and to enter into a commitment letter, loan agreement, promissory note, mortgage, and restrictive covenant with Easton Place Homes LLC for a 50-unit apartment project.

Easton Place Homes Phase 1 is a proposed 50-unit apartment development for families located at the corner of Easton Loop West and Charter Oak Way in Columbus, Ohio. This is the first phase of a larger plan for 200 affordable units on a 4.65-acre parcel. Easton Place Homes is located directly south of the market rate townhomes facing Easton Way, which is the southern boundary of the premier retail/restaurant/entertainment district in Columbus. Major employers, such as JPMorgan Chase and Huntington Bank, employ thousands within walking distance-census data from 2018 indicates 24,000 jobs within a mile of the site-making this an extremely convenient location in all respects.

The property will consist of two three-story apartment buildings with a combination of townhomes and stacked flats. Easton Place Homes Phase 1 will offer a mix of 17 one-bedroom, 22 two-bedroom, and 11 three-bedroom apartments. Community space includes a community room with kitchenette, fitness room and management office. Easton Place Homes Phase 1 will serve a mix of income levels from 30% AMI to 70% AMI. Depending on final utility allowances, net rents for the different unit sizes are estimated at \$360-850 for one-bedroom, \$440-1105 for two-bedroom and \$490-1250 for three-bedroom apartments.

In addition to the City's HOME funds investment, Easton Place Homes Phase 1 has secured Low Income Housing Tax Credits and OHFA HDAP funds, along with additional private loans to fund this Phase's Total Development Cost of \$14,992,121. Phase 2 has also secured 4% tax credits from OHFA in 2021, along with OHFA HDAP, City and County HOME funds and other private loans. Phase 3 is still in the process of getting State resources.

Easton Place Homes is owned and developed by Homeport and The Georgetown Company. Homeport is a non-profit housing developer based in Columbus, Ohio. Since its inception in 1987, Homeport has given greater security, opportunity and dignity to thousands of low income people by building quality, affordable homes, primarily financed with private investment leveraged by Federal tax credits. Homeport has established itself as the largest locally focused nonprofit producer of affordable housing and related services in the region. For more than 30 years Homeport has participated in the development, sale or preservation of more than 4,000 units of housing in Central Ohio.

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 042039 and expires 5/31/2024.

Fiscal Impact: \$300,000.00 is available from the 2020 HOME grant (G451903) and \$300,000.00 is available from the 2021 HOME grant (G452000). The commitment of funds through this legislation is conditioned on compliance with HUD's environmental review requirements. The contract execution committing \$600,000.00 from HOME Fund (2201) for [Easton Place Homes LLC] is only authorized if all HOME review and comment requirements have been met prior to any commitment of funds, as approved by the Responsible Entity Agency Official. An Authorization to Utilize Grant Funds will be received by the City from HUD in advance of the contract execution for this project.

To authorize the Director of the Department of Development to appropriate and expend up to \$600,000.00 of the 2020 and 2021

HOME Investment Partnerships Program (HOME) entitlement grant funds from the U.S. Department of Housing and Urban Development; to and to authorize the Director to enter into a commitment letter, loan agreement, promissory note, mortgage, and restrictive covenant with Easton Place Homes LLC for a 50-unit apartment project; and to declare an emergency. (\$600,000.00).

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, the Department of Development desires to support Easton Place Homes LLC's 50-unit apartment project; 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 ended December 31, 2022, the sum of \$300,000.00 is appropriated in Fund 2201 (2020 HOME), from Dept-Div 44-10 (Housing), G451903, object class 05 (Other Expenses) per the account codes in the attachment to this ordinance.

SECTION 2. 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, 2022, the sum of \$300,000.00 is appropriated in Fund 2201 (2021 HOME), from Dept-Div 44-10 (Housing), G452000, object class 05 (Other Expenses) per the account codes in the attachment to this ordinance.

SECTION 3. That the expenditure of \$300,000.00, 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 4. That the expenditure of \$300,000.00, or so much thereof as may be needed, is hereby authorized in Fund 2201 (HOME), Dept-Div 4410 (Housing), G452000 (2021 HOME), object class 05 (Other Expenses) per the account codes in the attachment to this ordinance.

SECTION 5. That the Director of Development is hereby authorized to enter into a commitment letter, loan agreement, promissory note, mortgage, and restrictive covenant with Easton Place Homes LLC for a 50-unit apartment project in an amount up to \$600,000.00.

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. 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 9. 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.

