



Legislation Text

File #: 2492-2022, Version: 1

BACKGROUND: This ordinance authorizes the appropriation and expenditure of up to \$45,000.00 from two HOME Investment Partnerships Program (HOME) grants 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 Down payment Assistance (ADDI) program.

The City of Columbus provides down payment assistance with 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 \$7,500.00 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.

Year to date, eight first time homebuyers received funding through this program. It is estimated that 11 more first time homebuyers may receive funding in the remainder of 2022.

This legislation represents a portion of the appropriation for the HOME portion of the 2020 and 2021 Action Plans, per Ordinances 2162-2019 and 2345-2020, respectively.

Emergency action is requested in order to prevent a disruption in the program.

FISCAL IMPACT: \$25,000.00 is available in the 2020 HOME grant (G451903) and \$20,000.00 is available in the 2021 HOME grant (G452000).

To authorize the appropriation and expenditure of up to \$45,000.00 from two HOME Investment Partnerships Program (HOME) grants; 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 Down payment Assistance (ADDI) program; and to declare an emergency. (\$45,000.00)

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 2020 and 2021 Action Plans, per Ordinances 2162-2019 and 2345-2020, respectively, as required by HUD; and

WHEREAS, it is necessary to appropriate and expend funds from the 2020 and 2021 HOME grants 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 to make the funds available in a timely manner so as to prevent a disruption in the 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 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 \$25,000.00 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 \$25,000.00 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 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 \$20,000.00 is appropriated in Fund 2201 (HOME), from Dept-Div 44-10 (Housing), G452000 (2021 HOME), object class 05 (Other Expenses) per the account codes in the attachment to this ordinance.

SECTION 4. That the expenditure of \$20,000.00 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 HOME commitment letter, loan agreement, promissory note, mortgage, and restrictive covenant with individual homebuyers who access the American Dream Down payment Assistance (ADDI) program in an amount up to \$7,500.00.

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.