



Legislation Text

File #: 3164-2022, **Version:** 1

BACKGROUND: This legislation authorizes the assignment and assumption of a U.S. Department of Housing and Urban Development (HUD) HOME Investment Partnerships Program (HOME) funded loan package (inclusive of a loan agreement, promissory note, mortgage, and restrictive covenant), executed by the Director of the Department of Development, from HNHF Realty Collaborative (HNHF) to Community Development for All People (CD4AP).

Ordinance No. 1495-2013 authorized the appropriation of FY 2013 HOME funds and authorized the Director of the Department of Development to assist non-profit organizations with grants and no or low interest loans for projects designed to increase and preserve the local supply of decent, safe, sanitary, and affordable housing for low income families. Under the authority of Ordinance No. 1495-2013 and as part of the Department's CHDO program, the Director executed a loan package with HNHF Realty Collaborative for the development at 951-953 Carpenter Street, Columbus.

CD4AP partnered with HNHF during the development of the project. That partnership has continued and both parties would like to assign the loan package to CD4AP. Current loan package documents indicate that City approval of the assignment and assumption of responsibilities is required. Both organizations qualify as Community Housing Development Organizations (CHDOs) under the HOME program based on the parent-subsidary relationship between Community Development for All People and HNHF Realty Collaborative.

EMERGENCY DESIGNATION: is requested in order for the assignment to occur in 2022 for business administrative purposes.

CONTRACT COMPLIANCE: the vendor number is 008972 and contract compliance expires 8/16/2024.

To authorize the Director of the Department of Development to execute an Assignment and Assumption Agreement that assigns the loan agreement, promissory note, mortgage, and restrictive covenant with HNHF Realty Collaborative to Community Development for All People for the development at 951-953 Carpenter Street, Columbus; and to declare an emergency. (\$0.00)

WHEREAS, Ordinance No. 1495-2013 authorized the appropriation of FY 2013 HOME funds and authorized the Director of the Department of Development to assist non-profit organizations with grants and no or low interest loans for projects designed to increase and preserve the local supply of decent, safe, sanitary, and affordable housing for low income families; and

WHEREAS, under the authority of Ordinance No. 1495-2013 and as part of the Department's CHDO program, the Director executed a loan package with HNHF Realty Collaborative for the development at 951-953 Carpenter Street, Columbus.; and

WHEREAS, HNHF and CD4AP would like to assign the loan package to CD4AP and City approval is required; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development in that it is immediately

necessary to assign the documents in order for the assignment to occur in 2022 for business administrative purposes; now, therefore,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the Director of the Department of Development is authorized to execute an Assignment and Assumption Agreement that assigns the loan agreement, promissory note, mortgage, and restrictive covenant with HNHF Realty Collaborative to Community Development for All People for the development at 951-953 Carpenter Street, Columbus.

SECTION 2. 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 which shall take effect and be in force from and after its passage and approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes it.