



## Legislation Text

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**File #:** 3460-2022, **Version:** 1

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**BACKGROUND:** The City received HOME Investment Partnerships Program (HOME) funds for the fiscal year of 2022 from the United States Department of Housing and Urban Development (“HUD”). Throughout 2022 the City incorrectly drew money from HOME American Rescue Plan allocation (HOME-ARP) funds for HOME activities. Those HOME-ARP funds must be returned to HUD via wire transfer as soon as possible. The City will correctly request funding from HUD for reimbursement for eligible expenditures from HOME.

**FISCAL IMPACT:** This ordinance authorizes the expenditure of \$83,743.98 from the Grant fund G442102 to correct ineligible reimbursements for the HOME Program.

**EMERGENCY DESIGNATION:** Emergency action is requested to allow the financial transaction to be processed as soon as possible and to mitigate risk of potential penalties from untimely action.

To authorize the Director of Finance and Management to initiate a transaction to correct the funding for the HOME Investment Partnerships Program funded by the U.S. Department of Housing and Urban Development (HUD) in the amount of \$83,743.98 due to money being drawn from an incorrect funding source; to authorize the transfer of \$83,743.98 within the HOME Program Entitlement Fund; to authorize the expenditure of \$83,743.98 from G442102; and to declare an emergency. (\$83,743.98)

**WHEREAS,** the City received funds from the United States Department of Housing and Community Development (“HUD”) for the HOME Investment Partnerships Program; and

**WHEREAS,** expenditures occurred and funds were drawn from HUD to reimburse the City from the wrong funding source; and

**WHEREAS,** internal City review identified the HOME administrative costs drawn from the incorrect funding source; and

**WHEREAS,** the City is required to return those funds that were drawn from the wrong funding source from HUD; and

**WHEREAS,** HUD’s *Instructions for Returning Funds to the Line of Credit and to U.S. Treasury* guidance requires reimbursements to the CDBG Line of Credit to be made via wire transfer; and

**WHEREAS,** an emergency exists in the usual daily operation of the Department of Finance and Management in that it is immediately necessary to authorize the Director to return \$83,743.98 to U.S. Department of Housing and Urban Development (HUD) to mitigate risk of potential penalties from untimely action, for the preservation of 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 Director of the Department of Finance and Management is hereby authorized to initiate a transaction in the amount of \$83,743.98 to return funds to U.S. Department of Housing and Urban Development (HUD).

**SECTION 2.** That the transfer of \$83,743.98, or so much thereof as may be needed, is hereby authorized within Fund 2201 HOME Program Entitlement Fund, from Dept-Div 4410, Object Class 01 to Dept-Div 4410 Housing, Object Class 05 per the accounting codes in the attachment to this ordinance.

**SECTION 3.** That for the purpose stated in Section 1, the expenditure of \$83,743.98 is hereby authorized in Fund 2201, per the accounting codes in the attachment to this ordinance.

**SECTION 4.** 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 5.** That the City Auditor is authorized to make any accounting changes to revise the funding source for all modifications associated with this ordinance.

**SECTION 6.** 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 passage and approval by the Mayor or ten days after passage if the Mayor neither approves nor vetoes the same.