File #: 1803-2025, **Version:** 1

BACKGROUND:
This ordinance authorizes the Director of the Department of Development to enter into a capital contribution agreement with the Star House to provide funding for facility renovations in an amount up to $1,000,000.00. Star House has seen a significant increase in youth homelessness over the recent years and therefore they are replicating their current drop-in center at the new site on the south side of Columbus to serve youth, ages 14-24 who are experiencing homelessness within that community. The new site will be a former church and school building that has been acquired by Star House and they are in need of additional funding to support the renovations of those sites. This ordinance also authorizes to allow for payment of eligible expenditures from the effective date of the purchase order through December 31, 2027. It is also necessary to certify the required funds, in the amount up to $1,000,000.00 against the General Fund 1000, Income Tax Set Aside Subfund 100099 and authorize the appropriation and transfer of the funds from the Income Tax Set Aside Subfund to the Development Taxable Bond fund. The funds will be reimbursed upon receipt of the bond proceeds.

FISCAL IMPACT: Funding for this project will not be available to the Department of Development until the bonds are sold related to the 2024 Capital Improvement Budget and are available at a future date, therefore it is necessary to certify the required funds, in the amount up to $1,000,000.00, against the General Fund 1000, Income Tax Set Aside Subfund 100099. The fund will be reimbursed upon receipt of the bonds. There is sufficient budgetary authority for this project.

CONTRACT COMPLIANCE: CC- CC008897 expires 03/17/2027

To authorize the appropriation of funds within the Income Set Aside Subfund and the Development Taxable Bonds Fund; to authorize the transfer of cash between the Income Tax Set Aside Subfund and the Development Taxable Bond Fund; to authorize the expenditure within the Development Taxable Bonds Fund in an amount up to $1,000,000.00 for a capital contribution agreement which will provide facility renovations to the newly acquired Star House facilities; to authorize the Director of the Department of Development to enter into a capital contribution agreement with the Star House for facility renovations that authorizes the payment of eligible expenses beginning the effective date of the purchase order through December 31, 2027. ($1,000,000.00)

WHEREAS, this ordinance authorizes funding in the amount of $1,000,000.00 for a capital contribution agreement that will provide funding for facility renovations; and

WHEREAS, it is necessary to certify the required funds, in the amount up to $1,000,000.00 dollars against the General Fund 1000, Income Tax Set Aside Subfund 100099 and authorize the appropriation and transfer of the funds in the amount up to $1,000,000.00 from the Income Tax Set Aside Subfund to the Development Taxable Bond fund and authorize the appropriation within the Development Taxable Bond Fund.

WHEREAS, it is necessary to authorize the expenditure within the Development Taxable Bond Fund in an amount up to $1,000,000.00; and

WHEREAS, the City anticipates incurring certain Original Expenditures (as defined in Section 1.150-2(c) of the Treasury Regulations (the "Treasury Regulations") promulgated pursuant to the Internal Revenue Code of 1986, as amended) with respect to the construction of the project described in this ordinance (the "Project"); and

WHEREAS, the City will reimburse the General Fund 1000, Income Tax Set Aside Subfund 100099; and

WHEREAS, this transfer should be considered as a temporary funding method; and

WHEREAS, the aggregated principal amount of obligation which the City will issue to finance this project is presently expected not to exceed $1,000,000.00; and

WHEREAS, it is necessary to authorize the Director of the Department of Development to enter into a capital contribution agreement for facility renovations and to submit the payment to the Star House for eligible expenses beginning the effective date of the purchase order through December 31, 2027; and **NOW, THEREFORE**,

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

SECTION 1. That the Director of the Department of Development is hereby authorized and directed to enter into a capital contribution agreement with Star House for facility renovations and authorizes the payment of eligible expenses beginning the effective date of the purchase order through December 31, 2027.

SECTION 2. That from the unappropriated monies and from all monies estimated to come into said funds from any and all sources and unappropriated for any other purpose during the fiscal year ending December 31, 2025, the sum of $1,000,000.00 is appropriated within General Fund 1000, Income Tax Set Aside Subfund 100099, in Object Class 10 Transfer Out Operating, and into the Development Taxable Bond Fund, Fund No. 7739, in Object Class 06 Capital Outlay per the account codes in the attachment to this ordinance.

SECTION 3. That the transfer of $1,000,000.00 or so much thereof as may be needed, is hereby authorized between the General Fund 1000, Income Tax Set Aside Subfund 100099, and the Development Taxable Bonds Fund, Fund No. 7739, per the account codes in the attachment to this ordinance.

SECTION 4. The expenditure of $1,000,000.00, or so much thereof as may be needed, is hereby authorized in Fund 7739 (Development Taxable Bonds Fund), in Dept-Div 4402 (Economic Development), Project P441788-100000 (Councilmanic ITSA Supported), in Object Class 06 (Capital Outlay) per the account codes attached to this ordinance.

SECTION 5. That the Director of the Department of Development be and hereby is authorized to remit the funding of the Capital Contribution Agreement with Star House for facility renovations. That the monies herein shall be paid upon order of the Director of the Department of Development, and that no order shall be drawn or money paid except by voucher, the form of which shall be approved by the City Auditor.

SECTION 6. That upon obtaining other funds, the City Auditor is hereby authorized and directed to repay the General Fund 1000, Income Tax Set Aside Subfund 100099 the amount transferred under Section 3.

SECTION 7. That the City intends that this ordinance constitute an "official intent" for purposes of Section 1.150 2(e) of the Treasury Regulations, and that the City reasonably expects to reimburse itself for certain Original Expenditures incurred with respect to the Project from the proceeds of obligations to be issued by the City in a principal amount currently estimated to be $1,000,000.00 (the "Obligations").

The City intends to make a reimbursement allocation on its books for the Original Expenditures not later than eighteen months following the later to occur of the date of the Original Expenditure to be reimbursed or the date the Project for which such Original Expenditures were made is "placed in service" within the meaning of Treasury Regulations Section

powered by Legistar™

1.150 2(c). Upon the issuance of the Obligations, the proceeds of such Obligations shall be used to reimburse the fund from which the advance for costs of the Project will be made.

SECTION 8. 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 9. That the City Auditor is hereby authorized and directed to transfer any unencumbered balance in the project account to the unallocated balance 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 no longer required for said project; except that no transfer shall be made from a project account by monies from more than one source.

SECTION 10. That the City Auditor is authorized to establish proper project accounting numbers as appropriate.

SECTION 11. 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 12. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.

powered by Legistar™