

Introduced by _____ Council Bill No. R 53-13

A RESOLUTION

authorizing an amendment to the FY 2013 Action Plan for CDBG and HOME funds; authorizing the City Manager to submit the amendments to HUD; authorizing a contract for sale of real estate with Job Point for property located at 411 McBaine Avenue.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

SECTION 1. The amendments to the FY 2013 Action Plan for CDBG and HOME funds, a copy of which, marked "Attachment A," is attached to this resolution, are approved.

SECTION 2. The City Manager is authorized to submit the amendments to the FY 2013 Action Plan for CDBG and HOME funds to the Department of Housing and Urban Development (HUD).

SECTION 3. The City Manager is hereby authorized to execute a contract for sale of real estate with Job Point for property located at 411 McBaine Avenue. The form and content of the agreement shall be substantially as set forth in "Exhibit A" attached hereto and made a part hereof as fully as if set forth herein verbatim.

ADOPTED this _____ day of _____, 2013.

ATTEST:

City Clerk

Mayor and Presiding Officer

APPROVED AS TO FORM:

City Counselor



Fourth Program Year Action Plan

The CPMP Fourth Annual Action Plan includes the SF 424 and Narrative Responses to Action Plan questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

ATTACHMENT A Narrative Responses

GENERAL

Executive Summary

The Annual Action Plan details the proposed sources and uses of funds available from HUD, including Community Development Block Grant (CDBG) and HOME funds, and outlines the accomplishments resulting from the use of HUD funding in the City. This year's Action Plan was written pursuant to the implementation of the third year of the City's five year Consolidated Plan for program years 2010 through 2014. The Plan was developed in accordance with the City's adopted Citizen Participation Plan, as amended as part of this year's plan to include updated technology. A more detailed summary of the 2013 CDBG and HOME Budget is presented in Tables 1 and 2.

A. Sources of HUD Funding:

1. \$802,000 of CDBG and \$463,000 of HOME funding as indicated below in Tables 1 and 2;
2. \$120,000 in reprogrammed CDBG funds;
3. An estimated \$50,000 of CDBG and \$75,000 of HOME Program Income;
4. Funding through the HUD Continuum of Care administered by the Missouri Housing Development Commission will be awarded during 2012. Funding applications are being prepared at this time. Funds awarded in 2012 with 2011 funding include:
 - \$37,450 to continue the *Salvation Army/Harbor House* program for case management and supportive services.
 - \$71,122 for a one year renewal for *Phoenix Programs/Voluntary Action Center's* Project Bridge.
 - \$74,113 for renewal of the *Phoenix Programs* "At Home" permanent housing program for those with substance abuse problems.
 - \$325,380 for Shelter plus Care funding for the Columbia Housing Authority.Total renewals are \$508,065.
4. \$75,000 in Emergency Shelter Grant(ESG) funding is estimated to be provided for Emergency Shelter projects through the State of Missouri ESG Program;
5. HUD Funding for the Columbia Housing Authority annual plan for the year ending 2012 supports the management and maintenance of 719 public housing units and 1062 rental assistance vouchers, including:
 - \$2,209,318 for its *public housing operating fund*;
 - \$835,363 for its *public housing capital fund*;

- \$6,725,683 for *Section 8 Rental Assistance Programs*;
 - \$315,000 for the Shelter Plus Care Housing Choice Vouchers;
 - *Resident Opportunity Self-Sufficiency (ROSS) Programs*:
 - *Public Housing Ross Service Coordinator*: 65,900
 - *Housing Choice Voucher Family Self-Sufficiency Program (Section 8)*: \$51,378 will provide funding to coordinate with job training and homeownership assistance classes for assisted tenants.
 - *Public Housing Family Self-Sufficiency Program*: \$52,396 to provide self-sufficiency programs for CHA Residents.
 - *Drug Free Community Grant*: \$125,000 for public housing safety and security
6. *Community Housing Options*, a local not-for-profit housing development organization is applying for funding through the Missouri Housing Development Commission for Low Income Housing Tax Credits to help build 16 units of housing on the corner of Vandiver and Oakland Gravel Road.
 7. *Jeffery Smith Development Company* has been awarded Low Income Housing Tax Credits through MHDC to build an additional 42 units of housing for senior citizens. \$620,000 in federal 9% tax credits, and \$620,000 in state 9% tax credits.
 8. *Burrell Behavioral Health* has been awarded Section 202 HUD funds to build supportive housing for senior citizens at Edenton & Bodie Drive in north central Columbia.
 9. *The Columbia Housing Authority and New Horizons Community Support Services, Inc.* have submitted a joint application to the Missouri Housing Development Commission (MHDC) for 9% Low-Income Housing Tax Credits to support the development of a 47 unit affordable housing project.

TABLE 1: FY 2013 CDBG PROGRAM

	<u>Approved</u> 09/19/2012	<u>Amendment</u> 3/4/1013
COMMUNITY DEVELOPMENT BLOCK GRANT RESOURCES		
Estimated Entitlement Amount	\$802,000	\$802,000
Reprogrammed	\$120,000	\$120,000
PROPOSED USES of CDBG FUNDS		
Housing Programs		
Owner Occupied Housing Rehabilitation	\$60,000	\$60,000
Neighborhood Response Team Code Enforcement	35,000	35,000
Neighborhood Response Team Demolition	30,000	30,000
Homebuyers Classes	15,000	15,000
BCCA Senior Home Repair Program	36,000	36,000
SIL RAMP Program	40,000	40,000
Public Improvements		
Downtown Ramps	209,000	179,000
Worley Sidewalks Phase II Construction	164,500	194,500
Community Facilities, Services and Economic Development		
Columbia Housing Authority Park Avenue Head Start	84,000	84,000
Job Point Nursing/Heavy and Highway Training	76,180	76,180
REDI and CMCA Career Center	32,500	32,500
HUD Mandated Fair Housing Set-aside	11,500	11,500
Planning and Administration		
Administration	96,240	96,240
Community Dev., Housing & Neighborhood Planning	32,080	32,080

TOTAL CDBG	\$922,000	\$922,000
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TABLE 2: FY 2013 HOME PROGRAM

HOME RESOURCES		
HOME Entitlement	\$463,000	\$520,726.03
Proposed Uses of HOME Funds		
CHA Tenant-Based Rental Assistance	106,000	106,000
Rental Production	175,250	175,250
Community Housing Development Organizations	69,450	69,450
Reprogram 2010 HOA to Job Point CHDO		57,726.03
Homeownership Assistance	66,000	66,000
Administration	46,300	46,300
TOTAL HOME	463,000	520,726.03

B. Specific Objectives, Outcomes, and Performance of CDBG and HOME Projects

Below is a statement, by national objective and national outcome measures of the projected accomplishments for CDBG, HOME and other HUD funded activities within the next year. Where the objective is similar to one carried over from a previous year, the accomplishments to date on that objective are stated for the 2013 year.

1. National Objective of Providing Decent Affordable Housing: Through the use of CDBG and HOME funding during 2013, this Plan provides for the ability of the City to facilitate the provision of 16 units of affordable rental housing, the purchase 17 of units of affordable new and existing owner occupied housing, 53 home rehabilitation and repair projects through City and not-for-profit Agency programs, and 20 special needs households assisted Tenant-Based Rental Assistance. The City proposes to make housing assistance available for 106 units of housing.

Objective 1: Policy on Affordable Housing: The City Council should adopt an overall policy statement to further institutional changes in affordable housing. The policy should be part of a new comprehensive plan currently being developed by the City. For 2013, completion of a draft plan including an affordable housing policy is expected.

2012: Affordable housing was identified as a contributing factor to creating a livable community including specific aspects that need to be addressed to reduce housing costs.

Objective 2: Establish a locally administered Housing Trust Fund to help provide decent affordable housing. For 2013, appoint a board to oversee a housing Trust Fund.

2012: Community Development Director, City Manager, and Columbia Housing Authority CEO have been meeting to explore implementation.

Objective 3: Create a new position for an affordable housing planner to act as the City's advocate for comprehensively developing affordable housing recommendations contained in this report.

This activity was completed in 2010 and is funded through the 2011 City fiscal year. Funding was not extended for 2012.

Objective 4: Establish one or more committees to address the following topics:

- **Removing impediments to fair housing**
- **Establishing a policy to address manufactured homes**
- **The development of a local housing trust fund**

In 2013, establish at least one committee. An update to the impediments to affordable housing, which included some impediments was provided to the City Council in 2012.

a. Specific Objectives with the Primary Outcome of Making Decent Housing Available or Accessible

Objective 5: Complete minor home repairs to make 130 owner occupied housing units accessible: 26 homes are proposed for 2013;

Accomplishments so far during 2012: 8 homes including:

- *Emergency Repair Program:* 5 homes
- *Boone County Council on Aging Senior Home Repair Program:* 3 homes

Objective 6: Complete accessibility improvement to make decent housing accessible for 30 households: 6 homes proposed for 2013

Accomplishments so far during 2012:

- *Services for Independent Living Ramp Program:* 6 homes

Objective 7: Provide home maintenance education to 150 persons to help access decent housing: 30 persons proposed for 2013

Accomplishments so far in 2012:

- *HomeWorks Classes, University Extension and Water and Light:* 13 persons

Objective 8: Provide homeownership education to 750 persons to allow access to the purchase of decent housing: 150 persons proposed for 2013

Accomplishments so far in 2012:

- *Homeownership classes:* 97 persons

Objective 9: Expand consumer education programs on energy management, conservation, budgeting, managing credit, and the home buying process to make decent affordable housing available: The goal for 2013 is to have at least one HUD certified counseling agency in the City.

During 2012, the Columbia Housing Authority conducted a survey with various lenders and real estate agents in the community to identify typical problems faced by first time home buyers. Based on these responses, CHA will be better able to determine the next step in addressing the HUD Certified Counseling Agency status.

In addition, one CHA staff member completed the required training in Feb. 2012 to become a certified Housing Counselor through Neighbor Works America.

CONTRACT FOR SALE OF REAL ESTATE

This agreement is dated this 8 day of FEBRUARY, 2013, by and between the City of Columbia, Missouri, a municipal corporation (hereinafter referred to as "Buyer") and Job Point, a non-profit organization of the state of Missouri (referred to hereinafter as "Seller"). Seller's current address is 2116 Nelwood Drive, Ste. 200, Columbia, Missouri 65202

WITNESSETH:

1. Subject to the terms and conditions set forth herein, the Buyer agrees to purchase and the Seller agrees to sell certain real property and all improvements thereon commonly known as 411 McBaine in Columbia, Boone County, Missouri more particularly described as follows:

Lot 226 of the Smithton Addition to the City of Columbia, Boone County, Missouri.
2. Funds provided by the Buyer for purchase of real estate offered by Seller are restricted to HOME eligible activities and expenditures pursuant to 24 CFR 92.205 and 24 CFR 92.206. Funds provided to Seller at closing must be allocated to pay off the existing construction loan balance for the development of 411 McBaine, and development fee.
3. The purchase price for the property shall be Fifty-Six Thousand Nine Hundred Thirty Seven Dollars and Three Cents (\$56,937.03) which Buyer agrees to pay by cashier's check at closing. Seller acknowledges the purchase price is sufficient to pay off construction loan balance and development fee in full.
5. Possession of the property shall be delivered to Buyer following closing.
6. Closing shall occur at the office of Boone Central Title Company, Columbia, Missouri or a title company to be designated by Seller, on or before March 31, 2013. Buyer shall pay all closing costs.

7. Conveyance shall be by general warranty deed and shall transfer fee simple title marketable as defined by the Missouri Bar Title Standards.
8. Taxes for 2013 shall be prorated to date of closing.
9. Seller will maintain and insure the property until closing and Buyer shall have hazard insurance effective as of the date of closing. In the event the property or some portion thereof is materially damaged, Seller shall notify Buyer and at Buyer's election may void the contract by giving written notice to Seller within seven (7) days of Seller's notice of damages whether buyer is electing to close and take the insurance proceeds. If Buyer does not elect to proceed, the insurance proceeds shall belong to Seller and the contract is void. In the event Buyer elects to proceed to close, the insurance proceeds must be used to restore the property to its original habitable condition within a reasonable time.
10. Subject to final walkthrough inspection prior to closing, Buyer acknowledges that they have inspected the property and accepts the property as is, and all warranties, express or implied, are hereby disclaimed by Seller, except as specifically set forth as to merchantable title, seller shall be responsible for remedying any defects in materials and workmanship for one (1) year from the date of closing.
11. All notices provided for in this contract may be delivered in person or by United States Mail.

Seller's Address is:

City of Columbia
Community Development Department
701 E. Broadway, 5th Floor
Columbia, MO 65201

Buyer's Address is:

Job Point
2116 Nelwood Dr.
Ste 200
Columbia, MO 65202

12. This contract shall be binding upon the parties hereto, their heirs, personal representatives, successors and assigns.
13. This contract constitutes the entire agreement between the parties and supersedes all previous discussions and agreements and may not be modified except in writing and executed by both parties.
14. This contract shall be construed in accordance with the laws of Missouri. Should any part of this contract be litigated, venue shall be proper only in the Circuit Court of Boone County, Missouri or the U.S. District Court for Western Missouri. If any term of this contract is found by a Court of competent jurisdiction to be void or invalid, such finding shall not affect the remaining terms of the contract which shall remain in effect.

IN WITNESS WHEREOF, the parties hereto have been duly authorized to execute this contract as of the day and year first above written.

SELLER:

CITY OF COLUMBIA, MISSOURI

By:

Mike Matthes, City Manager

ATTEST:

Sheela Amin, City Clerk

APPROVED AS TO FORM:

Fred Boeckmann, City Counselor

STATE OF MISSOURI)
) ss
COUNTY OF BOONE)

On this _____ day of _____, 2013, before me appeared Mike Matthes, to me personally known, who, being by me duly sworn, did say that he is the City Manager of the City of Columbia, Missouri, and that the seal affixed to the foregoing instrument is the corporate seal of the City and that this instrument was signed and sealed on behalf of the City by authority of its City Council and the City Manager acknowledged this instrument to be the free act and deed of the City.

IN TESTIMONY WHEREOF, I have hereunto set by hand and affixed my official seal, at my office in Columbia, Boone County, Missouri, the day and year first above written.

Notary Public

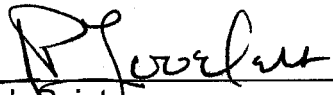
My commission expires: _____.

CERTIFICATION: I hereby certify that this agreement is within the purpose of the appropriation to which it is to be charged, Account No. 266-4130-532.49.90, G44124, and that there is an unencumbered balance to the credit of such appropriation sufficient to pay therefore

John Blattel, Director of Finance

BUYER:

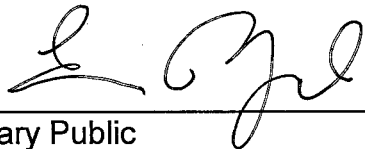
By:

Job Point 

STATE OF Missouri)
COUNTY OF BOONE) ss

On this 8 day of FEBRUARY, 2013, before me, appeared Jim Loveless, to me personally known, who, being by me duly sworn, did say that he is the Executive Director of Job Point, and that the seal affixed to the foregoing instrument is the corporate seal of Job Point and that this instrument was signed and sealed on behalf of Job Point and by authority of its Board and the Executive Director acknowledged this instrument to be the free act and deed of Job Point.

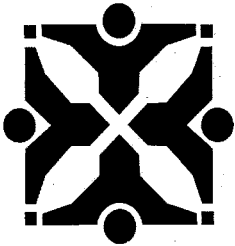
IN TESTIMONY WHEREOF, I have hereunto set by hand and affixed my official seal the day and year first above written.


Notary Public

My commission expires: _____



ERIC HEMPEL
My Commission Expires
June 14, 2016
Boone County
Commission #12355378



Source: Community Development - CDBG/Home

Agenda Item No:

To: City Council

From: City Manager and Staff *MM*

Council Meeting Date: Mar 4, 2013

Re: Approving an Amendment to FY 2013 CDBG and HOME Annual Action Plan

EXECUTIVE SUMMARY:

The U.S. Department of Housing and Urban Development's (HUD) Citizen Participation rules require jurisdictions to consider any comments or views of citizens at a public hearing prior to submitting an amendment to the Annual Action Plan. In order to comply with this requirement, staff has prepared a resolution to approve an amendment to the FY 2013 Annual Action Plan.

DISCUSSION:

The Annual Action Plan provides an update on the actions the City will take to meet the priority needs, goals and objectives of the 2010-2014 Consolidated Plan during FY2013. The City submitted its FY 2013 Annual Action Plan to HUD in November of 2012. The Plan was approved by HUD on January 2, 2013.

The amendment to the FY 2013 Action Plan will reallocate 2010 homeownership assistance funds for the purchase of 411 McBaine. This home is currently out of compliance with HUD regulations and puts the City's HOME funding at risk. The City was required to convert this activity to rental in order to draw funds from HUD this past quarter.

Rental property management does not coincide with Job Point's organizational mission. City staff has developed a plan with the Columbia Housing Authority to own and operate the property according to HUD guidelines. Staff is seeking approval of donating the property to CHA in a separate ordinance. Staff is seeking approval of the attached resolution authorizing the City Manager to purchase 411 McBaine. The purchase price will be equal to the construction loan balance (\$50,558.12) and a development fee of 5% (\$6,378.91). CHDOs are typically allowed to collect a 10% developer fee on projects. Staff is proposing compensating Job Point at a reduced rate of 5% for completing only the development of the property. The total contract price for the City purchasing 411 McBaine from Job Point is \$56,937.03, as noted in the attached real estate agreement (Exhibit A). Closing costs for the purchase of 411 McBaine are estimated to be \$789.00. The Action Plan Amendment will reallocate funds to cover the purchase price and closing costs (\$57,726.03). This proposed solution prevents Job Point from losing excessive operational funds for future projects, however it does not compensate Job Point for selling the home. Staff estimates that Job Point will pay for \$2,624.50 in development funds from its own funding sources, and not realize up to \$19,425.25 in sales proceeds and developer fee.

Upon council approval of purchasing 411 McBaine, staff will be seeking approval to donate this property, as well as two Neighborhood Stabilization (NSP) properties, to the Columbia Housing Authority (CHA) through a separate City ordinance. The properties would be operated as rental properties according to HUD guidelines. Further staff explanation will be provided in a separate council memo.

The proposed FY 2013 Action Plan Amendment also transfers \$30,000 from Downtown Sidewalks to Worley Sidewalks Phase II construction. The Worley Sidewalks project consists of constructing an ADA compliant sidewalk from Clinkscales to Bernadette. The Downtown Ramps project consists of multiple sidewalk improvements for accessibility at several downtown sidewalk locations. Worley Sidewalks Phase II construction estimates are \$30,000 higher than the amount of CDBG funds allocated towards the project. Reallocating funds from Downtown Sidewalks to Worley Sidewalks Phase II will reduce the number of downtown sidewalk improvements, however this action is necessary for the successful completion of Worley Sidewalks Phase II.

FISCAL IMPACT:

\$57,726.03 in HOME funds is being reprogrammed from 2010 Homeownership Assistance Program funding.
 \$30,000 in CDBG funds is being moved from Downtown Sidewalks to Worley Sidewalks.

VISION IMPACT:

<http://www.gocolumbiamo.com/Council/Meetings/visionimpact.php>

Approve the attached resolution amending the FY 2013 Annual Action Plan, and authorizing the City Manager to purchase 411 McBaine.

SUGGESTED COUNCIL ACTIONS:

The Council should pass a resolution approving the Amendment to the FY2013 Annual Action Plan.

FISCAL and VISION NOTES:					
City Fiscal Impact Enter all that apply		Program Impact		Mandates	
City's current net FY cost	\$0.00	New Program/ Agency?	No	Federal or State mandated?	Yes
Amount of funds already appropriated	\$0.00	Duplicates/Expands an existing program?	No	Vision Implementation impact	
Amount of budget amendment needed	\$0.00	Fiscal Impact on any local political subdivision?	No	Enter all that apply: Refer to Web site	
Estimated 2 year net costs:		Resources Required		Vision Impact?	Yes
One Time	\$0.00	Requires add'l FTE Personnel?	No	Primary Vision, Strategy and/or Goal Item #	11.1
Operating/ Ongoing	\$0.00	Requires add'l facilities?	No	Secondary Vision, Strategy and/or Goal Item #	11.1
		Requires add'l capital equipment?	No	Fiscal year implementation Task #	