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ORDINANCE NO.  $\mathcal{C}_{\mathcal{O}}$ 

CITY OF CUYAHOGA FALLS, OHIO

AN ORDINANCE APPROPRIATING FUNDS FOR THE REPAYMENT OF MONIES TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR ECONOMIC DEVELOPMENT LOAN ACTIVITIES DEEMED TO BE INELIGIBLE, AND DECLARING AN EMERGENCY.

WHEREAS, the City of Cuyahoga Falls receives an annual allocation of Community Development Block Grant (CDBG) funds to be used in accordance with Title 24 of the Code of Federal Regulations, Part 570; and

WHEREAS, in 2012 USO Realty and BEI Industries received CDBG funds in the form of economic development loans in the amount of \$80,000 each for the purpose of creating jobs to be made available to low-to-moderate income people; and

WHEREAS, the loan repayment terms are still being met; and

WHEREAS, the U.S. Department of Housing and Urban Development performed an audit and found a significant lack of required documentation for these loans and the activities were subsequently deemed ineligible; and

WHEREAS, upon repayment of activities deemed ineligible, the U.S. Department of Housing and Urban Development will increase the Community Development Block Grant funds available to the City of Cuyahoga Falls for eligible activities.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Cuyahoga Falls, County of Summit and State of Ohio, that:

Section 1. The City of Cuyahoga Falls is required to repay funds to the U.S. Department of Housing and Urban Development for ineligible activities.

Section 2. The Director of Finance is hereby authorized to increase appropriations in the General Fund, Community Development, line item Other Operations by \$160,000 and to make payment for the same from the General Fund. Community Development, line item Other Operations. The Director of Finance is hereby authorized to increase appropriations in the Community Development Block Grant, line item Other Operations by \$160,000.

Section 3. Any other ordinances or resolutions or portions of ordinances and resolutions inconsistent herewith are hereby repealed, but any ordinances and resolutions not inconsistent herewith and which have not previously been repealed are hereby ratified and confirmed.

<u>Section 4.</u> It is found and determined that all formal actions of this Council concerning and relating to the adoption of this ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements, to the extent applicable, including Chapter 107 of the Codified Ordinances.

Section 5. This ordinance is hereby declared to be an emergency measure necessary for the preservation of the public peace, health, safety, convenience and welfare of the City of Cuyahoga Falls and the inhabitants thereof and provided it receives the affirmative vote of two thirds of the members elected or appointed to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise it shall take effect and be in force at the earliest period allowed by law.

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 Passed:

11/9/2015

President of Council

Clerk of Council

Mayor

7172 Approved

9/28/15

 $O:\2015 \text{ ords}\CDBG \text{ Ineligible Funds Repayment Sub.doc}$