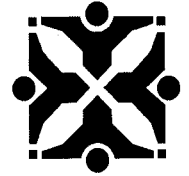


City of Columbia

701 East Broadway, Columbia, Missouri 65201



Agenda Item Number: R 198-15

Department Source: Community Development - CDBG/Home

To: City Council

From: City Manager & Staff

Council Meeting Date: 12/21/2015

Re: Approving a Resolution to Forgive and Write-off Loan Balance on 904 Sandifer

Documents Included With This Agenda Item

Council memo, Resolution/Ordinance, Exhibits

Supporting documentation includes: Loan and Grant Committee Draft Meeting Minutes

Executive Summary

Council approval of this resolution authorizes loan forgiveness and write-off of the outstanding loan balance on 904 Sandifer. A review of loan payment records indicate a minor loan balance recording error during software conversion in 2005, resulting in the need to forgive and write-off \$346.14.

Discussion

The Owner Occupied Rehabilitation Program participant at 904 Sandifer participated in the program in 1997. The original HOME loan amounts totaled \$16,800 and consisted of one loan amortized at 1% interest, which has been paid off, and one loan deferred at 0% interest. In 2002, the participant's loan was reviewed and the remaining deferred loan was converted to a 1% amortized loan. The City implemented new software in 2005 and a review of the historical events within the file indicates an error in the recording of the loan balance during the software conversion, resulting in an increased loan balance of \$346.14. Program records indicate that all loan payment coupons were paid by the client and the remaining \$346.14 in Finance's records should be forgiven and written-off.

Fiscal Impact

Short-Term Impact: None.

Long-Term Impact: None.

Vision, Strategic & Comprehensive Plan Impact

Vision Impact: Economic Development, Health, Social Services and Affordable Housing

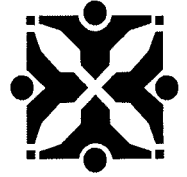
Strategic Plan Impact: Economy, Social Equity

Comprehensive Plan Impact: Mobility, Connectivity, and Accessibility, Economic Development, Livable & Sustainable Communities

Suggested Council Action

City of Columbia

701 East Broadway, Columbia, Missouri 65201



Approve the attached resolution authorizing the City Manager to forgive and write-off the remaining loan balance for 904 Sandifer.

Legislative History

A handwritten signature in black ink, appearing to be 'J. J. J.', written over a horizontal line.

Department Approved

A handwritten signature in black ink, appearing to be 'M. J.', written over a horizontal line.

City Manager Approved

Introduced by _____ Council Bill No. _____ R 198-15

A RESOLUTION

declaring a HOME rehabilitation loan on property located at
904 Sandifer Avenue paid in full; authorizing a deed of release;
directing the City Clerk to have the deed recorded.

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

SECTION 1. The City of Columbia finds an accounting error caused an inaccurate balance due on the 1997 HOME rehabilitation loan on property located at 904 Sandifer Avenue, authorizes an adjustment in the amount due to zero and further declares the balance due on the 1997 HOME rehabilitation loan on property located at 904 Sandifer Avenue to be paid in full.

SECTION 2. The City Manager is hereby authorized to execute a full deed of release for the deed of trust securing the loan referenced in Section 1. The form and content of the deed of release shall be substantially as set forth in "Exhibit A" attached hereto and made a part hereof.

SECTION 3. The City Clerk is authorized and directed to have the full deed of release recorded in the office of the Boone County Recorder of Deeds.

ADOPTED this _____ day of _____, 2015.

ATTEST:

City Clerk

Mayor and Presiding Officer

APPROVED AS TO FORM:

City Counselor

FULL DEED OF RELEASE

WHEREAS, DIANE K. BUCHMANN, A SINGLE PERSON, (Grantee), by deed of trust dated the 15th day of July, 2003, and recorded in the Recorder of Deeds office, County of Boone, State of Missouri, in Book 2304, Page 656, conveyed the property in said deed described in Trust, to secure the payment of a certain note described in said deed of trust; and

WHEREAS, the present owner(s) of said property has FULLY PAID AND SATISFIED said deed of trust and note and is/are justly and legally entitled to a FULL RELEASE of said deed of trust.

NOW THEREFORE, the City of Columbia, State of Missouri, a municipal corporation, the undersigned party of the first part (Grantor), whose address is P.O. Box 6015, Columbia, MO, 65205-6015, present holder and legal owner of said deed of trust and note, does hereby Remise, Release and Quit Claim unto the said present owner or successor in interest of the owner(s) of said property, being the party of the second part, the interest conveyed by the above-referenced deed of trust in the following described real property to wit:

A part of Lots Number Three (3) and Four (4) in SANDIFER'S SUBDIVISION of Lots Number Ten (10) to Thirteen (13), both inclusive, of Turner's Addition to the City of Columbia, Missouri, described as follows: Commencing at the South and West corner of Lot Number Six (6), and run thence Southeast along the North and East line of Sandifer Avenue a distance of Fifty (50) feet for a point of beginning; thence Northeast a distance of One Hundred (100) feet parallel with the South and East line of said Lot Number Six (6); thence Southeast a distance of Fifty (50) feet parallel with the South and West line of Lot Number Four (4); thence Southwest a distance of One Hundred (100) feet parallel with the South and East line of said Lot Number Six (6) to the North and East line of Sandifer Avenue; thence Northwest along the North and East line of Sandifer Avenue a distance of Fifty (50) feet to the point of beginning.

TO HAVE AND TO HOLD the same, with all the appurtenances thereto belonging unto the said party of the second part, free, clear and discharged from the encumbrances of said deed of trust.

IN WITNESS WHEREOF, the said party of the first part has caused these presents to be signed by its City Manager, attested to by its City Clerk, and the seal of the City of Columbia, P.O. Box 6015, County of Boone, City of Columbia, Missouri, 65205, is hereunto affixed, this _____ day of _____, 2015.

APPROVED AS TO FORM:

CITY OF COLUMBIA:

Nancy Thompson
City Counselor

Mike Matthes
City Manager

ATTEST: _____
Sheela Amin, City Clerk

COUNTY OF BOONE)
) SS.
STATE OF MISSOURI)

On this _____ day of _____, 2015, 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, State of Missouri, and that the seal affixed to the foregoing instrument is the corporate seal of said Corporation and that said instrument was signed and sealed in behalf of said Corporation by authority of its City Council and the same Acting City Manager acknowledged said instrument to be the free act and deed of said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at my office in Columbia, Missouri, this _____ day of _____, 2015.

My commission expires: _____
Notary Public _____



SUPPORTING DOCUMENTS INCLUDED WITH THIS AGENDA ITEM ARE AS FOLLOWS:

Loan and Grant Committee Draft Meeting Minutes

LOAN AND GRANT COMMITTEE MEETING

1:30 pm, October 6, 2015

Room 1B

City Hall Annex, 701 E. Broadway

Members Present: Bill Kasman, O.U. Ukoha, Lynn Limback, Chris Steuber

Staff Present: Randy Cole, Gary Anspach, Kathy Sides

Motion to go into closed session according to RsMO Ch. 610.021

Mr. Kasman called the meeting to order; he asked for a **motion to go into closed session. Mr. Limback made the motion; second by Mr. Ukoha. The motion passed by a unanimous voice vote.**

1. Loan Write Off – Diane Buchmann

Mr. Kasman said this emergency meeting was called because staff was on a deadline to submit this loan balance to City Council for write-off at their October 19 meeting. Mr. Cole thanked the committee for attending on such short notice. He said this file fell through the cracks when we lost Eric to Water and Light, but he's talked to Eric about it a lot. We need to write off the loan balance of \$346.14. We could have carried this to next year, but Ms. Buchmann is concerned about it and has been promised it will be written off. This is a customer service issue, so that our records match hers and we don't let it carry over to next year. In 1997, she had two loans: one amortized at 1%, which she's paid off, and one deferred. In 2002, her deferred loan was reviewed; Loan and Grant approved changing it to an amortized loan at 1% interest for ten years. In reviewing her file, it appears the problem occurred in 2005. Sometime between 2002 and 2005, we got a software system for our loans. Payments were made on the original balance of \$14,018.87, but the original loan amount of 14,018.87 was set up in One Roof instead of the actual balance of \$13,971.34, which includes the payments made over that two year period. The loan is at 1% interest; that's close, making it about \$500 off; Finance's records show we're \$346.14 off. Ms. Steuber asked if this is just an admin error; Mr. Cole said yes. Ms. Buchmann has paid all of her payment coupons, she knew the check numbers on her last coupons. Ms. Steuber said so this is a software issue; Mr. Cole said yes, it's a reporting issue. **Ms. Steuber made a motion to approve staff's recommendation to write off the remaining balance of the loan; second by Mr. Limback. The motion passed by a unanimous voice vote.**

Motion to go out of closed session

Mr. Kasman asked for a motion to go out of closed session; Mr. Limback made the motion; second by Ms. Steuber. The motion passed by a unanimous voice vote.

2. Public, committee or staff comment

Mr. Kasman asked when the next meeting is; Ms. Sides said it's after the first of the year, unless they need to call one sooner. They might have a couple of Rehabs to bring to the committee. Mr. Cole thanked the committee for attending.

3. Adjournment

Mr. Kasman declared the meeting adjourned at 1:35 p.m.