



Legislation Details (With Text)

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Title: To authorize the Director of the Department of Development to enter into contract with the Community Capital Development Corporation for the purpose of underwriting and servicing Economic Development Loan Program loans from the cash on hand and the proceeds of the revolving loan fund; and to declare an emergency.

Sponsors:

Indexes:

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Date	Ver.	Action By	Action	Result
2/26/2014	1	CITY CLERK	Attest	
2/25/2014	1	MAYOR	Signed	
2/24/2014	1	COUNCIL PRESIDENT	Signed	
2/24/2014	1	Columbus City Council	Approved	Pass

Background: This legislation authorizes the Director of the Department of Development to enter into contract with the Community Capital Development Corporation (CCDC) for the purpose of underwriting and servicing loans from the cash on hand and the proceeds of the revolving loan fund. The Community Capital Development Corporation has administered the Economic Development Loan Programs for the City of Columbus since July 1, 2004. The Economic Development Loan Programs include: the Business Development Fund Loan Program, the Working Capital Loan Program and the Neighborhood Commercial Revitalization Loan Program.

The Community Capital Development Corporation will not receive additional funding from the City of Columbus to administer the Economic Development Loan Programs. With cash on hand and the revolving loan proceeds, the Community Capital Development Corporation will continue to underwrite service and monitor loans. The City of Columbus will enter into contract with the Finance Fund for the purpose of administering the Economic Development Loan Programs. The Finance Fund will receive Community Development Block Grant funds for this purpose.

Emergency action is requested to allow the Community Capital Development Corporation to continue to provide financial services.

Fiscal Impact: No funding is required for this legislation.

To authorize the Director of the Department of Development to enter into contract with the Community Capital Development Corporation for the purpose of underwriting and servicing Economic Development Loan Program loans from the cash on hand and the proceeds of the revolving loan fund; and to declare an emergency.

WHEREAS, the Community Capital Development Corporation has administered the Economic Development Loan Programs since July 1, 2004; and

WHEREAS, the current contract with the Community Capital Development Corporation ends on January 31, 2014; and

WHEREAS, the Community Capital Development Corporation will not receive additional Community Development Block Grant funding for the purpose of administering the Economic Development Loan Programs; and

WHEREAS, the City of Columbus will enter into contract with the Finance Fund for the purpose of administering the Economic Development Loan Programs; and

WHEREAS, the Columbus City Council authorized the Development Department on December 2, 2013, per Ordinance 2724-2013, to enter into contract with the Finance Fund for the purpose of administering the Economic Development Loan Programs; and

WHEREAS, the need exists for the City of Columbus to maintain its relationship with the Community Capital Development Corporation for the purpose of underwriting, and servicing new loans with the cash on hand and the proceeds from the revolving loan fund; and

WHEREAS, emergency action is requested to allow the Community Capital Development Corporation to continue to provide services without interruption; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development, in that it is immediately necessary to authorize the Director of Development to enter into contract with the Community Capital Development Corporation, thereby preserving 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 Development is hereby authorized to enter into contract with the Community Capital Development Corporation for the purpose of underwriting and servicing Economic Development Loan Program loans from the cash on hand and the proceeds from the existing revolving loan fund.

Section 2. 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.