



## Legislation Text

**File #:** 1547-2024, **Version:** 1

### BACKGROUND

This legislation authorizes the Director of Development to modify the contract with AmeriNational Community Services, LLC for loan servicing to add \$65,000.00 and to extend the contract for another year. The current contract will expire June 30, 2024.

AmeriNational services loans the Department of Development provides to small business, home owners, home builders, and multi-family unit builders funded by the city's Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), and/or the Neighborhood Stabilization Program (NSP) grants.

Competitive bids were solicited for this service through Vendor Services in 2011. The 2011 Mortgage Loan Servicing RFP provided for four, two-year contract periods. One firm responded and was selected (AmeriNational Community Services, LLC).

The original procurement effort and contract, including most renewals, were managed by the Department of Finance and Management. In 2019, the Department of Development took over ownership of the contract as the loans in the portfolio are held by the Department of Development. Since taking over the contract, Development has begun the process of reviewing the loan portfolio. The review of the loan portfolio had been delayed a couple of years because of COVID-19. With the recent ordinance passed by City Council that authorized the Director of Development to establish a loan forgiveness policy, staff will begin forgiving loans and cleaning up the portfolio.

Once cleaned up, an RFP for loan servicing will be issued. Until such time the portfolio is reviewed and advertisement for a new vendor is issued, contract renewals for this service are needed. The prices in this contract modification were presented by the vendor and accepted by the Department. Not all prices were changed, only a portion of them.

Prior contracts/renewals were authorized as follows:

Ordinance 0139-2012	\$185,000.00
Ordinance 0112-2013	\$120,000.00
Ordinance 0146-2014	\$120,000.00
Ordinance 0362-2015	\$118,260.00
Ordinance 0400-2016	\$103,753.17
Ordinance 0995-2017	\$102,463.00
Ordinance 0166-2018	\$ 80,000.00
Ordinance 0218-2019	\$ 80,000.00
Ordinance 1315-2020	\$ 95,000.00
Ordinance 0993-2021	\$ 61,000.00
Ordinance 1161-2022	\$ 65,000.00
Ordinance 1283-2023	\$ 65,000.00

The total compensation for all authorized parts of prior renewals, modifications, and this modification (\$65,000.00) results in a total contract amount of \$1,260,476.17

Emergency action is requested in order to continue services without interruption and to prevent loan recipients from not being able to repay loans and the city from not receiving access to loan data and remittances of funds received by the

vendor. The existing contract expires June 30, 2024.

**FISCAL IMPACT**

The total amount to be authorized for this contract modification is \$65,000.00. Funds are available in the Department of Development, Division of Housing, 2024 General Fund budget.

**CONTRACT COMPLIANCE**

The vendor number is 007883 and expires 11/10/2023.

To authorize the Director of Development to modify the contract with AmeriNational Community Services, LLC for loan servicing by adding \$65,000.00, updating the scope of services as needed, and extending the contract end date; to authorize the expenditure of up to \$65,000.00 from the General Fund; and to declare an emergency. (\$65,000.00)

**WHEREAS**, the Director of Development desires to modify the contract with AmeriNational Community Services, LLC for loan servicing to add \$65,000.00, to update the scope of services as needed, and to extend the contract end date another year; 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 to enter into a contract modification with AmeriNational Community Services, LLC to allow it to continue loan servicing without interruption since the current contract expires June 30, 2024 so as to prevent loan recipients from not being able to repay loans and the city from not receiving access to loan data and remittances of funds received by the vendor, all for the immediate preservation of the public health, peace, property, safety and welfare; and now, therefore

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

**SECTION 1.** That the Director of Development be and is hereby authorized to modify the contract with AmeriNational Community Services, LLC for loan servicing to add \$65,000.00, update the scope of services as needed, and to extend the contract end date for another year.

**SECTION 2.** That the expenditure of \$65,000.00 or so much thereof as may be necessary is hereby authorized in Fund 1000 (General Fund), Dept-Div 44-10 (Housing), in Object Class 03 (Services) per the accounting codes in the attachment to this ordinance.

**SECTION 3.** Funds are hereby deemed appropriated and expenditures and transfers authorized to carry out the purposes of this ordinance and the City Auditor shall establish such accounting codes as necessary.

**SECTION 4.** 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 5.** 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 its approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.