



## Legislation Text

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**File #:** 2740-2013, **Version:** 1

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**Background:** As part of the Small Business Roundtable initiative, Columbus City Council proposed in the 2013 capital budget the creation of a small business interior renovation grant program. Council provided funding for this initiative.

This legislation authorizes the Director of Development to enter into contract with the Finance Fund to provide administrative services to support implementation of the Council's proposed Neighborhood Commercial Revitalization (NCR) interior improvement grant fund. Grants will be available for interior renovation for businesses located in the NCR areas. Finance Fund will work with the Neighborhood Design Center as the designated organization for intake and evaluation of interior improvements needed for businesses in the NCR areas. The services to be provided by Finance Fund, shall include program design, marketing, program infrastructure, intake process, credit underwriting, closing, compliance, reporting, accounting, fiscal support, maintenance and servicing.

Finance Fund, established in 1987 connects Ohio underserved communities with public and private sources of capital. It simplifies the complexities of the funding process and manages the flow of millions of public and private dollars to help good ideas come to life. These are ideas that change systems, create jobs, address community needs and improve the quality of life. Finance Fund funding programs include predevelopment and economic development grants, urban and rural lending and gap financing to support a wide range of projects such as small business, health care facilities and equipment, affordable housing construction or rehabilitation and community facilities. To date, Finance Fund and its affiliates have invested more than \$258.8 million in housing, economic development, and community facility projects leveraging over \$1 billion. The investment was accomplished through 2,847 awards to community-based organizations throughout the state. Finance Fund provides debt and equity to clients through the management of 19 entities totaling \$200 million. Partnerships have enabled low-income people access to 15,514 units of affordable housing, 18,417 direct jobs, and 3,036 early care and education spaces (classrooms) for 69,497 children benefiting the lives of over 127,000 Ohioans.

Emergency action is requested to allow Finance Fund to begin providing program services without delay.

**Fiscal Impact:** Funds will be transferred from the Unallocated Balance of the General Permanent Improvement Fund. Funds will also come from the Capital South Fund.

To authorize the Director of the Department of Development to enter into an agreement with Finance Fund for the administration of the City's NCR interior improvement grant fund; to amend the 2013 Capital Improvement Budget; to authorize the appropriation of \$414,000.00 within the General Permanent Improvement Fund; to authorize the transfer of cash and appropriation between projects within the General Permanent Improvement Fund; to authorize the expenditure of up to \$414,000.00 from the General Permanent Improvement Fund; to authorize the appropriation and expenditure of \$211,000.00 from the Capital South Fund; and to declare an emergency. (\$625,000.00) **(AMENDED BY ORD. 1060-2015 PASSED 04/20/2015)**

**WHEREAS,** Columbus City Council has engaged business leaders throughout the region in the Small Business Roundtable, leading to recommendations regarding access to capital; and

**WHEREAS,** this Council supports efforts to leverage city resources in support of Columbus' small businesses; and

**WHEREAS**, this Council provided funding for this purpose in the 2013 capital budget; and

**WHEREAS**, Finance Fund was established in 1987 to connect Ohio's underserved communities with public and private sources of capital; and

**WHEREAS**, Finance Fund operates as a statewide nonprofit financial intermediary working to enable progress and inspire change within Ohio's low-income communities; and

**WHEREAS**, Finance Fund's affiliate, Finance Fund Capital Corporation (FCAP), is a statewide Community Development Financial Institution (CDFI) certified lender with a mission to promote economic revitalization and community development by providing access to capital; and

**WHEREAS**, Finance Fund seeks to partner with the City of Columbus to provide administrative services in the implementation of the City's NCR interior improvement grant fund; and

**WHEREAS**, the Department of Development is interested in entering into contract with Finance Fund for the purpose of providing grant services to the small business community; and

**WHEREAS**, emergency action is requested to allow Finance Fund to begin providing services to the small business community; and

**WHEREAS**, an emergency exists in the usual daily operation of the Department of Development, in that it is immediately necessary to enter into contract with Finance Fund, 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 Finance Fund for the administration of the City's NCR interior improvement grant fund.

**Section 2.** That the 2013 Capital Improvement Budget, authorized by ordinance 0645-2013, is hereby amended as follows:

**Fund / Project No. / Project Name / Current CIB Amount / Amended Amount / New CIB Amount**

748 / 748999-100000 / Unallocated / \$13,827 / \$54,000 / \$67,827

748 / 748999-100000 / Unallocated / \$67,827 / (\$54,000) / \$13,827

748 / 530058-100013 / Small Business Improvements / \$360,000 / \$54,000 / \$414,000

**Section 3.** That the City Auditor is hereby authorized to appropriate \$414,000 within the unallocated balance of the General Permanent Improvements Fund, Fund 748, Dept. No. 45-01, Project 748999-100000, OCA 643114, OJL One 06.

**Section 4.** That the City Auditor is hereby authorized to transfer cash and appropriation within Fund 748, General Permanent Improvement Fund as follows:

**Transfer from:**

**Project / Project Name / O.L. 01-03 Codes / OCA / Amount**

748999-100000 / Unallocated Balance / 06-6000 / 643114 / \$414,000.00

**Transfer to:**

**Project / Project Name / O.L. 01-03 Codes / OCA / Amount**

530058-100013 / NCR Small Business Improvements / 06-6639 / 745813 / \$414,000.00

**Section 5.** That for purposes stated in Section 1, the expenditure of \$414,000.00 or so much thereof as may be necessary, be and is hereby authorized from the Development Department, Economic Development Division, Division 44-02, General Permanent Improvement Fund, Fund 748, Object Level One 06, Object Level Three 6639, OCA Code 745813, Project 530058-100013.

**Section 6.** That from the unappropriated balance in the Capital South Fund, Fund 481, and from all monies estimated to come into said fund from any and sources for the period ending December 31, 2013, the sum of \$211,000.00 is hereby appropriated to the Development Department, Economic Development Division, Division 44-02, Capital South Fund, Fund 481, Object Level One 06, Object Level Three 6639, OCA Code 444481.

**Section 7.** That for purposes stated in Section 1. the expenditure of \$211,000.00 or so much thereof as may be necessary, be and is hereby authorized from the Development Department, Economic Development Division, Division 44-02, Capital South Fund 481, Object Level One 06, Object Level Three 6639, OCA Code 444481.

**Section 8.** That this contract is awarded pursuant to Section 329.15 of the Columbus City Codes, 1959, as amended.

**Section 9.** That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated; and the City Auditor shall establish such accounting codes as necessary.

**Section 10.** 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 11.** That the Director of the Department of Development be and hereby is authorized and directed to provide to the office of the Council President and the offices of the Chairs of the Development Committee and the Small and Minority Business Committee copies of the final contract with Finance Fund.

**Section 12.** That the Director of the Department of Development be and hereby is authorized and directed to solicit and consider feedback on the program design, marketing, program infrastructure, intake process, credit underwriting, closing, compliance, reporting, accounting, fiscal support, maintenance and servicing as developed by Finance Fund prior to the implementation of Section 1.

**Section 13.** 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.