



Legislation Text

File #: 1605-2009, **Version:** 1

BACKGROUND: The Community Capital Development Corporation (CCDC) has administered the Economic Development Loan Program since 2005. This program includes the Business Development Fund (BDF), the Working Capital Loan Fund (WC) and the Neighborhood Commercial Revitalization Loan Fund. Since 2005 CCDC has closed over 30 loans using City of Columbus loan funds, creating over 100 jobs and leveraging private investment.

The City of Columbus has been allocated \$1,100,000 in Energy Efficiency and Conservation Block Grant Funds (EECBG) from the U.S. Department of Energy for a revolving loan fund for energy efficient construction and renovation to commercial facilities. CCDC will administer the EECBG loans for the City of Columbus in the same manner they administer our CDBG and CDBG-R loans.

This legislation authorizes the expenditure of \$1,100,000 from the General Government Grant Fund for a contract with the Community Capital Development Corporation for the administration of the EECBG funded revolving loan program. The funding for the administration of this loan program and the actual loan funds will remain within the City of Columbus. CCDC will submit monthly requests for funds for administrative costs and will request loan funds on a case-by-case basis upon approval by a loan committee and the City of Columbus.

Emergency action is requested so the Energy Efficiency Revolving Loan Program can be up and running by January 1, 2010. This requires entering into a contract with CCDC and having it approved by the City Attorney and certified by the City Auditor. Thirty day legislation would not allow the program to be in place until February or March 2010. This grant from the U.S. Department of Energy must be spent in a specified time or the City must return the funds.

FISCAL IMPACT: This legislation authorizes the expenditure of \$1,100,000 from the General Government Grant Fund to provide funding for a contract with the Community Capital Development Corporation for the administration of the EECBG revolving loan program. Passage of this legislation is contingent upon prior passage of appropriation ordinance 1511-2009.

To authorize the Director of the Department of Development to enter into a contract with the Community Capital Development Corporation for the administration of the Energy Efficiency and Conservation Block Grant Revolving Loan Program; to authorize the expenditure of \$1,100,000 from the General Government Grant Fund; and to declare an emergency. (\$1,100,000)

WHEREAS, the Community Capital Development Corporation successfully administers the current economic development loan programs funded with CDBG and CDBG-R funds; and

WHEREAS, the City of Columbus has been allocated \$1,100,000 in Energy Efficiency and Conservation Block Grant Funds (EECBG) for a revolving loan fund program for energy efficient construction and renovation to commercial facilities.; and

WHEREAS, the City of Columbus, Department of Development, Economic Development Division wishes to continue the good working relationship with the Community Capital Development Corporation and is desirous of contracting with them for the EECBG Revolving Loan Program; and

WHEREAS, the activities proposed by the Community Capital Development Corporation within this legislation are permitted by the United States Department of Energy pursuant to Title V, Subtitle E of the Energy Independence and Security Act (EISA) of 2007; and

WHEREAS, since its inception in 1981 Community Capital Development Corporation's sole purpose has been to underwrite, service and monitor loans, and can undertake these objectives more efficiently, more accurately and more economically than City staff; and

WHEREAS, the Community Capital Development Corporation will continue to promote the City of Columbus' philosophy of taking informed risk to assist businesses to grow and flourish; and

WHEREAS, the Economic Development loan administrative costs are eligible under EECBG funding guidelines; and

WHEREAS, emergency action is requested so the Energy Efficiency Revolving Loan Program can be up and running by January 1, 2010. This grant from the U.S. Department of Energy must be spent in a specified time or the City must return the funds: and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development, in that it is immediately necessary to authorize the expenditure of said funds for a contract with 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 a contract with the Community Capital Development Corporation for the administration of the Energy Efficiency and Conservation Block Grant Revolving Loan Program.

Section 2. That for the purpose stated in Section 1, the expenditure of \$1,100,000 or so much thereof as may be necessary, be and is hereby authorized to be expended from the General Government Grant Fund, Fund 220, Grant No. 459106, Department of Development, Economic Development Division, Division 44-02, Object Level One 03, Object Level Three 3336, OCA Code 499107.

Section 3. That this contract is awarded in accordance with Chapter 329.15 of the Columbus City Codes, 1959.

Section 4. 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.