



Legislation Text

File #: 0595-2023, **Version:** 1

BACKGROUND

This legislation authorizes the Director of the Department of Development to enter into a not-for-profit service contract with the Affordable Housing Trust for Columbus and Franklin County in an amount up to \$2,500,000.00 to provide funding to support emerging developers.

The City is committed to providing \$5 million to the Affordable Housing Trust for Columbus and Franklin County ("AHT") over two years in order to provide financing for the Emerging Developers Accelerator Program. The contract provides for \$2,500,000.00 of the \$5,000,000.00 commitment.

The Emerging Developers Accelerator Program (EDAP) is AHT's minority developer cultivation and training program. The goal of the EDAP is to increase the number of affordable housing units by engaging more women and people of color who are largely underrepresented as developers. This will reduce socioeconomic inequities by increasing the financial capacity of emerging developers to bring on more affordable housing units.

The services included in this not-for-profit service contract cannot be provided by existing city employees because these services are beyond the City's current staffing capacity to provide.

Emergency Justification: Emergency legislation is required to allow for immediate execution of the not-for-profit service agreement, which is necessary to provide the Emerging Developers Accelerator Program with technical assistance, consulting, and access to capital.

FISCAL IMPACT: Funding is available in the Neighborhood Economic Development fund (2237).

CONTRACT COMPLIANCE: the vendor number is 005862 and expires 11/23/2024.

To authorize the Director of the Department of Development to enter into a not-for-profit service contract with the Affordable Housing Trust for Columbus and Franklin County; to authorize the appropriation and expenditure of up to \$2,500,000.00 from the Neighborhood Economic Development fund; and to declare an emergency. (\$2,500,000.00)

WHEREAS, The City is committed to providing \$5 million to the Affordable Housing Trust for Columbus and Franklin County ("AHT") over two years in order to provide financing for the Emerging Developers Accelerator Program; and

WHEREAS, this contract provides for \$2,500,000.00 of the \$5,000,000.00 commitment made Emerging Developers Accelerator Program; and

WHEREAS, AHT will lead the EDAP cohorts through a 6-month training program to increase the number of affordable housing units by engaging more women and people of color who are largely underrepresented as developers; and

WHEREAS, AHT's goal of EDAP is to create pathways for minority developers to accelerate their business growth and eliminate the barriers to entry and sustainability; and

WHEREAS, AHT's EDAP graduates will have access to consulting and capital. Projects will be evaluated by AHT underwriting standards for loans and funded via AHT low interest rate loans and the equity investment funds if all criteria for financing and affordability have been met; and

WHEREAS, AHT will deliver to the Director of the City's Department of Development semiannual reports, by June 30 and December 31 of each year, detailing AHT's activities; and

WHEREAS, the services included in this not-for-profit service contract cannot be provided by existing city employees because these services are beyond the City's current staffing capacity to provide; 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 not-for-profit service contract with the Affordable Housing Trust for Columbus and Franklin County to provide funding to support emerging developers, such immediate action being necessary for the preservation of the public health, peace, property and safety; **NOW THEREFORE**,

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

SECTION 1. That the Director of the Department of Development to enter into a not-for-profit service contract with the Affordable Housing Trust for Columbus and Franklin County in an amount up to \$2,500,000.00 to provide funding to support emerging developers.

SECTION 2. That from the unappropriated monies and from all monies estimated to come into said fund from any and all sources and unappropriated for any other purpose during the fiscal year ended December 31, 2023, the sum of \$2,500,000.00 is appropriated in Fund 2237 (Neighborhood Economic Development Fund), Dept-Div 44-02 (Economic Development Division), in object class 03 (Services) per the account codes in the attachment to this ordinance.

SECTION 3. That for the purpose as stated in Section 1, the expenditure of \$2,500,000.00 or so much thereof as may be needed, is hereby authorized in Fund 2237 (Neighborhood Economic Development Fund), Dept-Div 44-02 (Economic Development Division), in object class 03 (Services) per the accounting codes in the attachment to this ordinance.

SECTION 4. That this contract is awarded in accordance with the relevant provisions of City Code Chapter 329 relating to not-for-profit service contracts.

SECTION 5. 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 6. 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 7. 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 passage and approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.

