



City of Columbus

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Legislation Text

File #: 0995-2017, **Version:** 1

BACKGROUND: This legislation will authorize additional funds for the second year of a two-year contract with AmeriNational Services, Inc. The current contract began March 1, 2016 and expires on February 28, 2018. The contract provides servicing of housing and commercial loans for primarily the Community Development Block Grant (CDBG), Community Development Block Grant Recovery (CDBG-R) Programs, Home Investment Partnership Program (HOME), and the Neighborhood Stabilization Program (NSP) grants.

Competitive bids were solicited for this service through VendorServices (commodity codes 94660 and 94649) in 2011. The 2011 Mortgage Loan Servicing RFP provides for four two-year contract periods. One firm responded and was selected (AmeriNational Services, Inc). Contract Compliance Number is 41-1951655 and expires February 18, 2018.

This legislation also authorizes the appropriation and expenditure of an additional \$6,000 of Neighborhood Stabilization Program (NSP 2) program income. Funds are needed to service loans from activities associated with the Neighborhood Stabilization Program (NSP 2) through the City of Columbus' loan servicer, AmeriNational Services, Inc.

This legislation is submitted as an emergency measure to ensure uninterrupted servicing of the loan portfolios.

FISCAL IMPACT: AmeriNational Services, Inc. receives a service fee based upon the loans serviced each month. The total amount to be authorized for the second year of this two-year contract is \$102,463. NSP-1 grant funds were appropriated on January 26, 2009 (Ordinance #0007-2009), and CDBG funds were appropriated on January 12, 2017 (Ordinance #3336-2016). The City of Columbus receives program income from prior investments of NSP 2 funds in various homeownership housing development projects. This ordinance authorizes the appropriation and expenditure of \$6,000 of receipted program income. The amount of funds spent on the contract for the past two completed terms was approximately \$106,740 in 2014 and \$79,096 in 2015.

To authorize the director of the Department of Finance and Management to expend \$102,463.00 or so much thereof as may be necessary from the Community Development Block Grant Fund (CDBG) and the Neighborhood Stabilization Program (NSP) grants; to fund the second year of a two-year loan servicing contract with AmeriNational Community Services, Inc.; to authorize the appropriation and expenditure of an additional \$6,000.00 of Neighborhood Stabilization Program (NSP 2) program income; and to declare an emergency. (\$102,463.00).

WHEREAS, it is necessary to provide the funds for the second year of the two-year contract entered into with AmeriNational Community Services, Inc. for the servicing of housing and commercial loans under the Community Development Block Grant (CDBG), HOME Investment Partnerships Program grant, and Neighborhood Stabilization Program (NSP) grants; and

WHEREAS, this legislation authorizes the appropriation and expenditure of \$6,000 of NSP2 Program Income from the General Government Grant Fund to provide funding for the Department of Finance and Management obligations and expenses relating to the Neighborhood Stabilization Program; and

WHEREAS, the City of Columbus receives program income from prior investments of NSP2 funds in various homeownership housing development projects; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Finance in that it is immediately necessary to enter into the second year of a contract with AmeriNational Services, Inc. to ensure uninterrupted servicing of loan portfolios, 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 Finance and Management is hereby authorized to enter into the second year of a two-year contract with AmeriNational Community Services, LLC for mortgage loan servicing;

SECTION 2. That the sum of \$6,000 is hereby appropriated from the unappropriated balance of the General Government Grant Fund, Fund 220, Grant to the Department of Finance and Management,. That funds are hereby deemed appropriated in an amount not to exceed \$6,000 as cash is available in the grant, as described in the attachment.

SECTION 3. That the Director of the Department of Finance and Management is hereby authorized to expend \$102,463 from the Community Development Block Grant Fund, Fund 248, and Neighborhood Stabilization Program (NSP) grants, Fund 220, as described in the attachment.

SECTION 4. That this contract is in accordance with relevant provisions of Columbus City Codes Chapter 329.

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 for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is 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.