



Legislation Text

File #: 1985-2016, **Version:** 1

BACKGROUND: Ordinance 2724-2013, passed December 2, 2013, authorized the Director of Development to enter into contract with Finance Fund to provide \$1,000,000 in Community Development Block Grant Funds (CDBG) for administrative services to support implementation of a new small business loan fund initiative by Columbus City Council. Ordinance 1811-2015, passed July 27, 2015, authorized an amendment to that agreement to provide an additional \$120,858.00 in CDBG funds to continue the program until February 29, 2016. This ordinance authorizes the Director of Development to amend the contract with Finance Fund for a second time for the purpose of extending the contract to February 28, 2017 to allow Finance Fund to continue program services and expend remaining fund balances.

Finance Fund provides administrative services to support implementation of the City's small business loan fund. The services provided by Finance Fund 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. The Finance Fund 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.

Emergency action is requested to allow the program to continue without interruption.

FISCAL IMPACT: No additional funding is required for this amendment.

To authorize the Director of the Department of Development to modify the small business loan fund administration contract with Finance Fund by extending the agreement to February 28, 2017; and to declare an emergency.

WHEREAS, the Finance Fund provides administrative services to support implementation of the City's small business loan fund; and

WHEREAS, the services provided by Finance Fund include program design, marketing, program infrastructure, intake process, credit underwriting, closing, compliance, reporting, accounting, fiscal support, maintenance and servicing; and

WHEREAS, Ordinance 2724-2013, passed December 2, 2013, authorized the Director of Development to enter into contract with Finance Fund to provide \$1,000,000 in Community Development Block Grant Funds (CDBG) for administrative services to support implementation of a new small business loan fund initiative by Columbus City Council; and

WHEREAS, Ordinance 1811-2015, passed July 27, 2015, authorized an amendment to that agreement to provide an additional \$120,858.00 in CDBG funds to continue the program until February 29, 2016; and

WHEREAS, it has become necessary in the usual daily operation of the Department of Development to authorize the Director to modify the contract with Finance Fund for a second time for the purpose of extending the contract to February

28, 2017 to allow Finance Fund to continue program services and expend remaining fund balance; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development in that it is immediately necessary to amend said contract with Finance Fund to allow the program to continue without interruption , all for the immediate preservation of 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 modify the small business loan fund administration contract with Finance Fund, contract EL017603, for the purpose of extending the contract period to February 28, 2017 to allow Finance Fund to continue program services.

SECTION 2. That this modification is made in accordance with the relevant provisions of City Code Chapter 329 relating to contract modifications.

SECTION 3. 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.