



Legislation Text

File #: 2240-2016, **Version:** 1

BACKGROUND: This legislation authorizes the Director of Development to amend contract EL017603 with Finance Fund for the purpose of extending the contract to February 28, 2017 to allow Finance Fund to spend the contract balance of \$112,644.99 as well as add an additional \$268,888.01 from the Urban Site Acquisition Loan (USAL) fund to continue program services.

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, rehabilitation and community facilities. To date, Finance Fund and its affiliates have invested more than \$336.2 million in housing, economic development, and community facility projects leveraging over \$1.37 billion. The investment was accomplished through 3,019 awards to nonprofit organizations and for-profit businesses throughout the state. Through partnerships, Finance Fund and its affiliates have enabled low-income people access to 25,928 direct jobs and 16,168 units of affordable housing, created 3,079 early care and education classrooms for 71,947 children benefiting the lives of over 191,595 Ohioans.

Emergency action is requested to allow Finance Fund to continue without interruption the administrative services necessary to support implementation of the City's small business loan fund.

FISCAL IMPACT: Funds for this expenditure are allocated from the Urban Site Acquisition Loan (USAL) Fund.

To authorize the appropriation of \$268,888.01 from the Urban Site Acquisition Fund; to authorize the Director of the Department of Development to modify the contract with Finance Fund to continue the provision of administrative services in support to the City's small business loan fund; to authorize the expenditure of \$268,888.01 from the Urban Site Acquisition Loan (USAL) Fund; and to declare an emergency. (\$268,888.01)

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 changes 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 deploy loan and/or grant capital to community businesses, and proposes to provide a suite of services to the City in the deployment of its resources for small businesses; and

WHEREAS, the City of Columbus entered into contract EL017603 with Finance fund in 2015 for the purpose of administering the small business loan fund; and

WHEREAS, the Department of Development is interested in continuing the contract with Finance Fund for the purpose

of providing loan services to the small business community; and

WHEREAS, Finance Fund will be allocated \$268,888.01 from the Urban Site Acquisition Loan (USAL) Fund; 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 modify said contract with Finance Fund to allow Finance Fund to continue providing services to the small business community without interruption, 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 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, 2016, the sum of \$268,888.01 is appropriated in Fund 2292 Urban Site Acquisition Fund in Object Class 03 Contractual Services per the accounting codes in the attachment to this ordinance.

SECTION 2. 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 to February 28, 2017 to allow Finance Fund to spend the contract balance of \$112,644.99, and to increase the contract amount by \$268,888.01 to continue program services.

SECTION 3. That for the purpose stated in Section 1, the expenditure of \$268,888.01 or so much thereof as may be necessary, be and is hereby authorized to be expended from the Urban Site Acquisition Loan (USAL) Fund, Fund 2292 in Object Class 03 Contractual Services per the accounting codes in the attachment to this ordinance.

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

SECTION 5. That at the end of the grant period, any repayment of unencumbered balances required by the grantor is hereby authorized and any unused City match monies may be transferred back to the City fund from which they originated in accordance with all applicable grant agreements.

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