File #: 1787-2019, **Version:** 1

BACKGROUND: This legislation authorizes the Director of Development to enter into contract with the Community Capital Development Corporation (CCDC) for loan servicing in an amount up to $46,850; authorizes the contract to have a start date of March 1, 2019; and waives Chapter 329 of Columbus City Code.

CCDC has been a long time partner with the Department of Development in administering the city's Revolving Loan Fund program. The Revolving Loan Fund program provided micro and small businesses startup capital and other assistance to begin a new business or grow an existing business. Under this contract, CCDC will continue to service the remaining loans in its portfolio through the contract period.

The department is in the process of ending the program and it has taken the department more time than expected to determine who would service the remaining loans. After much deliberation, the department desires that CCDC continue servicing the loans they initiated. The prior contract expired on February 28, 2019, and CCDC has been servicing loans since that time, thus the request to have the contract start March 1, 2019. This contract is not a modification of the prior contracts because the scope of services of the prior contract include loan initiation, underwriting, and other services, while this contract is only loan servicing and there was a change in fee structure. Because of the complexity of changing loan servicers mid-stream and because the department will be posting an RFP for department-wide loan servicing services later in 2019 for a new contract in 2020, the department requests the approval to waive Chapter 329 of Columbus City Code and enter into a contract directly with CCDC. Depending upon the outcome of the upcoming RFP effort, the department may continue to have CCDC service the remaining loans and if so, will request Council approval to modify this loan servicing contract.

Emergency action is request in order to maintain uninterrupted services.

FISCAL IMPACT: Funding is available in the Division of Economic Development's general fund budget.

CONTRACT COMPLIANCE: CCDC's vendor number is 004605 and expires on 9/25/20.

To authorize the Director of Development to enter into contract with the Community Capital Development Corporation (CCDC) for loan servicing in an amount up to $46,850.00; to ratify and authorize the contract to have a start date of March 1, 2019; to waive the competitive bidding provisions of Columbus City Code Chapter 329; to authorize the expenditure of up to $46,850.00 from the general fund; and to declare an emergency. ($46,850.00)

WHEREAS, Community Capital Development Corporation (CCDC) has been a long time partner with the Department of Development in administering the city's Revolving Loan Fund program; and

WHEREAS, the department is in the process of ending the program and it has taken the department more time than expected to determine who would service the remaining loans; and

WHEREAS the department desires that CCDC continue servicing the loans they initiated because it is impractical at this time to change loan servicers and as such, the department requests approval to waive Columbus City Code Chapter 329; and

WHEREAS, the prior contract expired on February 28, 2019, and CCDC has been servicing loans since that time; thus, the request to have the contract start March 1, 2019; 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 in order to maintain uninterrupted services, in order to preserve the public peace, health, safety, and welfare; and **NOW, THEREFORE,**

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

SECTION 1. That the Director of the Development Department is hereby authorized to enter into a contract with the Community Capital Development Corporation for loan servicing services and Council hereby ratifies and authorizes that said contract shall have a start date as early as March 1, 2019.

SECTION 2. That City Council has determined that it is in the best interest of the City of Columbus to waive the competitive bidding provisions of Chapter 329 of the Columbus City Code.

SECTION 3. That for the purposes stated in Section 1, the expenditure of $46,850.00 or so much thereof as may be needed, is hereby authorized in Fund 1000 (General Fund), Dept-Division 44-02 (Economic Development), in Object Class 03 (Contractual Services) per the accounting codes in the attachment to this ordinance.

SECTION 4. 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 5. 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 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.

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