

Introduced by the Council President at the request of the Mayor and  
amended by the Finance Committee:

**ORDINANCE 2018-576-E**

AN ORDINANCE APPROPRIATING \$90,000 FROM OED -  
ACCESS TO CAPITAL PROGRAM - PROFESSIONAL  
SERVICES AND \$6,807.77 FROM OED - ACCESS TO  
CAPITAL PROGRAM - MISCELLANEOUS SALES AND  
CHARGES TO OED ACCESS TO CAPITAL PROGRAM -  
LOANS FOR THE PURPOSE OF PROVIDING ADDITIONAL  
LOAN POOL FUNDING FOR THE ACCESS TO CAPITAL  
PROGRAM ("PROGRAM") AUTHORIZED BY SECTION  
126.602, ORDINANCE CODE, AS INITIATED BY B.T.  
18-94; PROVIDING FOR A CARRYOVER OF FUNDS FROM  
YEAR TO YEAR OR UNTIL SUCH FUNDS ARE EXPENDED  
PURSUANT TO THE PROGRAM; APPROVING AND  
AUTHORIZING THE MAYOR, OR HIS DESIGNEE, AND  
CORPORATION SECRETARY TO EXECUTE AND DELIVER,  
FOR AND ON BEHALF OF THE CITY, A TERMINATION  
AGREEMENT TERMINATING THE AGREEMENT PREVIOUSLY  
ENTERED INTO BETWEEN THE CITY OF JACKSONVILLE  
AND ACCION EAST, INC. FOR MANAGEMENT OF THE  
ACCESS TO CAPITAL PROGRAM, WHICH TERMINATION  
AGREEMENT AUTHORIZES THE CITY TO ACCEPT A LUMP  
SUM PAYMENT FROM THE COMPANY IN AN AMOUNT  
EQUAL TO NINETY-TWO PERCENT OF THE OUTSTANDING  
LOAN PRINCIPAL BALANCES OF LOANS ISSUED BY THE  
COMPANY UTILIZING CITY FUNDS PURSUANT TO THE  
ACCESS TO CAPITAL PROGRAM; APPROVING AND

ADOPTING THE ACCESS TO CAPITAL PROGRAM  
UNDERWRITING GUIDELINES; AUTHORIZING OED TO  
DISBURSE THE FUNDS APPROPRIATED HEREBY IN  
ACCORDANCE WITH THE TERMS AND CONDITIONS OF  
THE ACCESS TO CAPITAL PROGRAM; AMENDING  
SECTION 126.602 (ACCESS TO CAPITAL), PART 6A  
(SMALL BUSINESS CAPITAL, BONDING, AND OUTREACH  
PROGRAM), CHAPTER 126 (PROCUREMENT CODE),  
*ORDINANCE CODE*, TO AUTHORIZE THE OED TO MANAGE  
THE ACCESS TO CAPITAL PROGRAM AND TO PROVIDE  
LOAN DOCUMENT SIGNING AUTHORITY TO THE  
EXECUTIVE DIRECTOR OF THE OED; PROVIDING AN  
EFFECTIVE DATE.

**WHEREAS**, the City of Jacksonville ("City") and Accion East,  
Inc. (the "Company") previously entered into that certain agreement  
dated May 3, 2017 (the "Agreement") for the management by the  
Company of the City's Access to Capital Program; and

**WHEREAS**, the Office of Economic Development (OED) administers  
the Agreement and has recommended termination thereof due to the  
low volume of loans closed; and

**WHEREAS**, this Ordinance authorizes OED to manage the Access to  
Capital program and to enter into loan documents and related  
agreements on behalf of the City pursuant to the Access to Capital  
program, and OED may enter into contracts on behalf of the City in  
accordance with the City's procurement code for underwriting or  
loan closing services, as needed, all as detailed in the project  
summary attached hereto as **Exhibit 1**; now, therefore,

**BE IT ORDAINED** by the Council of the City of Jacksonville:

**Section 1. Appropriation.** For the 2017-2018 fiscal year,

1 within the City's budget, there are hereby appropriated the  
2 indicated sum(s) from the account(s) listed in subsection (a) to  
3 the account(s) listed in subsection (b):

4 (B.T. 18-94 attached hereto as **Exhibit 2** and incorporated herein by  
5 this reference)

6 (a) Appropriated from:

7 See B.T. 18-94 \$96,807.77

8 (b) Appropriated to:

9 See B.T. 18-94 \$96,807.77

10 (c) Explanation of Appropriation: the appropriation above is  
11 to reallocate funds from Professional Services from  
12 remaining administrative fees balance and Miscellaneous  
13 Sales and Charges from principal repayments within the  
14 Access to Capital Program to the loan pool of the Access  
15 to Capital Program.

16 **Section 2. Purpose.** The purpose of the appropriation in  
17 Section 1 is to reallocate funds from Access to Capital -  
18 Professional Services and Access to Capital - Miscellaneous Sales  
19 and Charges to the loan pool of the Access to Capital Program  
20 authorized by Section 126.602, *Ordinance Code*.

21 **Section 3. Carryover.** The funds appropriated hereby  
22 shall not lapse but shall carryover as appropriated from year to  
23 year until such funds are expended.

24 **Section 4. Execution of Termination Agreement authorized.**  
25 There is hereby approved, and the Mayor, or his designee, and  
26 Corporation Secretary are hereby authorized to execute and deliver,  
27 the termination agreement terminating the Agreement between the  
28 City and Company for the management of the Access to Capital  
29 Program, in substantially the same form attached hereto as **Exhibit**  
30 **3** (the "Termination Agreement"). The Termination Agreement

terminates the Agreement effective October 1, 2018, and authorizes the City to accept a lump sum payment from the Company in an amount equal to ninety-two percent of the outstanding loan principal balances as of October 1, 2018 on loans issued by the Company and funded by the City pursuant to the Access to Capital Program.

**Section 5. Approval and Adoption of Access to Capital Program Underwriting Guidelines.** There is hereby approved and adopted the Access to Capital Program Underwriting Guidelines attached hereto as **Exhibit 4** and incorporated herein by this reference.

**Section 6. Disbursement of Funds.** The Office of Economic Development is hereby authorized to make disbursements from time to time from the funds appropriated hereby in accordance with the terms, conditions and guidelines of the Access to Capital Program.

**Section 7. Amending Section 126.602 (Access to Capital), Part 6A (Small Business Capital, Bonding, and Outreach Program), Chapter 126 (Procurement Code), Ordinance Code.** Section 126.602 (Access to Capital), Part 6A (Small Business Capital, Bonding, and Outreach Program), Chapter 126 (Procurement Code), *Ordinance Code*, is hereby amended to read as follows:

**CHAPTER 126. CITY PROCUREMENT.**

**\* \* \***

**PART 6A. SMALL BUSINESS CAPITAL, BONDING, AND OUTREACH PROGRAM.**

**Sec. 126.602. - Access to capital.**

(a) The City has created a funding source to assist JSEBs with obtaining access to capital (the "AC Program"). A private entity ("Program Manager"), or the Office of Economic Development ("OED"), shall manage the distribution of said funds, in accordance with guidelines approved by the City in order to ensure proper administration and monitoring and to

1 ensure continuity for the program. All funds deposited into  
2 the Access to Capital Special Revenue Fund shall be the  
3 subject of a permanent and continuing appropriation when used  
4 for the purpose of loans to assist JSEBs with obtaining access  
5 to capital. In the event that OED serves as the manager of  
6 the AC Program, the Executive Director of the OED is  
7 authorized to execute on behalf of the City all loan  
8 agreements and related documents authorized pursuant to the AC  
9 Program.

10 (b) ~~The City's Office of Economic Development ("OED")~~ shall  
11 monitor and enforce the contract for disbursing funds and  
12 ensure that certified JSEBs are receiving funding assistance  
13 consistent with this Part.

14 (c) The OED, on a quarterly basis, shall provide the JSEB  
15 Administrator a report on the activity in the AC Program for  
16 the preceding three-month period. Such reports will be posted  
17 on the OED Web site.

18 (d) As may be requested by the JSEB Administrator, OED staff or  
19 the Program Manager will attend workshops to inform potential  
20 JSEB participants about available Access to Capital programs.

21 (e) The OED shall provide a quarterly activity report for the  
22 preceding three months to the JSEB Monitoring Committee for  
23 its use in complying with the reporting requirements pursuant  
24 to Section 126.606.

25 **Section 8. Effective Date.** This Ordinance shall  
26 become effective upon signature by the Mayor or upon becoming  
27 effective without the Mayor's signature.

28  
29 Form Approved:  
30

1     /s/ *Margaret M. Sidman*

2     Office of General Counsel

3     Legislation Prepared By:   John Sawyer

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