



## City Council

### Approval of Agreement with National Development Council for Community and Economic Development Services

**Agenda Date:** 11/18/2014  
**Agenda Item Number:** 4.D  
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#### **Title**

Approval of Agreement with National Development Council for Community and Economic Development Services

#### **Recommendation**

##### **City Manager Recommendation:**

Move to approve the attached agreement with National Development Council (NDC).

#### **Report**

##### **Issue:**

Shall the City enter into the attached agreement for NDC to provide technical assistance and services, including implementation of the City's Section 108 Guaranteed Loan Fund, establishment and administration of the Grow Olympia Fund, and consultation and training services on community development and public finance programs and projects?

#### **Staff Contact:**

Leonard Bauer, Deputy Director, Community Planning and Development, 360.753.8206

#### **Background and Analysis:**

The Program Year (PY) 2014 Action Plan for the City's Community Development Block Grant (CDBG) program includes a number of community and economic development initiatives for which the City requires additional expertise and services. These initiatives include establishment of a small business loan fund, to be known as the Grow Olympia Fund, as well as continued use of the City's Section 108 Loan Guarantee Program. Needed services for these programs will include CDBG eligibility analysis, loan underwriting, and program outreach and assistance.

Additionally, other city initiatives such as the community renewal area project will require outside expertise in public finance, development project feasibility analysis, and provision of training and education programs.

The attached agreement with NDC will provide all the services described above, as well as technical assistance on other community and economic development issues. It will also help the city begin to build internal capacity through ten days of training courses for city staff in its Certified Economic

Development Finance and Housing Development Finance Professional Training Program.

NDC has provided the City of Olympia assistance with the Section 108 Guaranteed Loan Program for the past two years, under annual contracts of \$60,000 per year. NDC is the oldest national non-profit community development organization in the U.S., founded in 1969. Its mission is increasing the flow of capital to underserved urban and rural areas for job creation and community development.

**Neighborhood/Community Interests (if known):**

There is community-wide interest in community and economic development, particularly in downtown Olympia.

**Options:**

1. Approve the attached agreement with NDC.
2. Do not approve the attached agreement with NDC and direct staff to negotiate specific revisions.

**Financial Impact:**

The attached agreement is for two years, for an amount not to exceed \$332,000. In approving the PY 2014 CDBG Action Plan, the Council authorized \$250,000 of the City's CDBG entitlement funds toward establishment of the Grow Olympia Fund to assist small businesses. That funding would go toward CDBG-eligible activities in this agreement to establish and administer that Fund. The remaining funding for this agreement (\$82,000) totals less than the City's past two years' \$60,000 annual agreements to assist with the Section 108 Loan Guarantee Fund.