

EXECUTIVE SUMMARY

Ordinance No. 88-2020

SUMMARY OF ORDINANCE

This ordinance authorizes the transfer of \$1,000,000 to the Job Creation Incentive Program (JCIP), \$500,000 to the Neighborhood Development Program (NDP), and \$1,500,000 for the use of the Department of Economic Development for the making of loans and grants under \$250,000 from the General Fund.

JUSTIFICATION

The Ordinance provides for funding from the general fund to support the programmatic efforts of the Department of Economic Development. Historically, the Department has relied on two flexible funding sources for the making of loans and grants, repayments from UDAG Loans made in the 1980's and 1990s and repayments from loans made through an allocation of unrestricted NDIF funds in the 1990s. These resources are very flexible, but the repayment streams are beginning to slow.

Historically, the Department commits \$3,000,000 annually for various development uses from these resources. This commitment from the general fund should be sufficient to cover the Department's regular business needs for this year and strengthen the Department's financial position in future years. In addition, this commitment can lengthen the lifespan of the Department's existing highly flexible repayment streams and provides flexibility to drive investments in new directions. This ordinance provides for the transfer of \$3,000,000 to fund various Economic Development programs traditionally funded through these resources.